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#### HAVS SUMMARY

# **OODS** Lusaka tack

#### opter-borne Rhodesian s and jets carried out their d raid on Lusaka in ten , demolishing the home of the African People's. officials (ZAPU).

raid was only a mile the Commonwealth Conx venue. An agricultural 12 miles from the capital ulso attacked. least 22 ZAPU members

killed and as many d. One Rhodesian One ando died. East German Soviet Rhodesia strategy, 2; Kaunda-Muzorewa move Page 6; Doubts on Queen's ty, Page 6; U.S. issues Page 7

#### ına oil ban

la is expected to impose anctions on Ghana for ting six leading figures in al Acheampong's military e, including General Fred o who replaced him in a last July. Back Page

#### ce of 'Ripper'

"Yorkshire Ripper." ; 11 women, boasted in a recording sent to police: an't see myself being I just yet." The voice had ng Sunderland accent.

#### ist jailed

d Sherlock, aged 59, a t Leicester for a series of at 837.32 just before the close. and other sexual offences iris aged between three 10 over a period of five

#### ratiiova wins

r who came from Czechoia on a two-week visa: Barrett, Page 13

#### ad found

idle found with a human at the bottom of a ide petrol storage tank ned a severed head. Police igating the murder are ng on missing persons hout the UK.

#### O arrested

1,500 people were ed at the Katatura black nip in Windhoek, Namibia at police described as a prevention operation.

# t report today

outhall riots by Sir David e, Metropolitan Police dissioner, will be published New Zealand teacher Peach was killed in the in April.

#### 1es move

nded titles at the earliest set up by the Secretary imployment

#### e realises £4m

ly £4m was made in the first m of an auction of French ture at Monte Carlo, includrecord £822,511 paid for ouis XV ormolu-mounted cabinet. uetry corne com, Page 10 corner

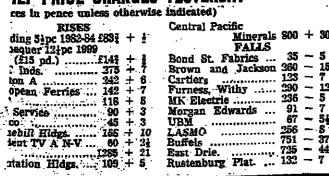
#### efly ...

edian Eric Morecambe, rering from a heart opera-should leave hospital in or three weeks, his wife,

anian troops are to be drawn from Uganda in t three weeks, according fficials in Tanzania.

one was delivered to the sh Embassy in Tokyo as a for Mrs. Thatcher. Its sash described as "tory blue."

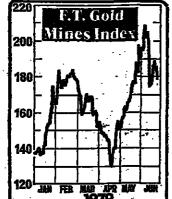
#### IEF PRICE CHANGES YESTERDAY



# hodesian Equities up 1.8;

# **Dollar** rallies

EQUITIES were dull, with fund managers still staying out of the market. The FT ordinary index closed 1.8 up at 475.2.



#### Gold shares fell in line with the dip in the bullion price and the Gold Mines index fell 6.6 to 178.4.

© GILTS staged a small technical raily and the Govern-ment Securities index closed 0.23 up at 70.58.

it to be responsible for STERLING fell 70 points to 11 women, boasted in a \$2.1520 and its trade-weighted index remained unchanged at 68.9. The dollar gained ground against other major currencies and its index rose to 85.0 (84.7).

● GOLD fell \$1} to \$2814 in

my director, was jailed for • WALL STREET was 6.3 down

U.S. TREASURY bill rates were: threes \$ 993 page out (2.839) and sixes speed page (8.873).

BUNDESBANK president. ding Wimbledon champion Dr. Otmar Emminger, has de-rended the bank's monetary stability policy against foreign criticism, and has hinted that the discount rate will be raised.

> CHINA'S Government has published outlines of a proposed law to govern joint capital ventures with foreign companies. Page 6

SVAUXHALL Motors, the UK subsidiary of General Motors,

@ PERKINS, the diesel engine subsidiary of Massey-Ferguson, is switching half its U.S. production to its UK plant at Peterborough following a decision to suspend manufacturing at Canton, Ohio.

 ELECTRICAL and Plumbing Trades Union executive has ordered an inquiry into the election of a Left-winger, Mr. Wyn Bevan, to the executive council. Back Page

s journalists sent a tele-to Lord Thomson on the building and Engineering of the Thomson Organisa Unions has voted for a national annual general meeting overtime ban and one-day strikes g him to republish the by more than 2m manual workers unless increases on funity or sell them to a minimum wages rates and other ole bidder. They also benefits are agreed by emit for a court of inquiry ployers. Back Page

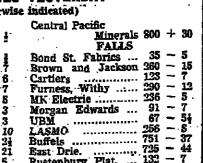
> NUR LEADER, Mr. Sid Weighell, has said his union will refuse to take part in dis-cussions on economic and social policy with the Conservative Government. Page 13

#### **COMPANIES**

BAT Industries reports an 8 months to March 31. Page 26

• FIRST NATIONAL Finance Corporation, the banking and finance group, reports pretax profits for the six months to April 30 of £3 m against £17.88m in the previous full year. Page 26 and Lex

• TRIDENT TELEVISION re ports pretax profits for the six months to March 31 held at £4.8m on turnover of £36.44m (£35.96m). Page 27



# Nuclear power station go-ahead expected today

BY JOHN LLOYD

The Government is likely to announce today the long-awaited financial approval for a new 1300 megawatt advanced gas-cooled reactor (AGR) nuclear power station, to cost about £650m.

The announcement expected to be made by Mr. David Howell, the Energy Secretary, in the Commons this afternoon. will come as a relief to the Central Electricity Generating Board, which had feared that the Government might delay approval to assist in its programme of public spending cuts. The station will be built at Heysham, in Lancashire, and will be the "B" station to

Heysham A, now nearing completion.

#### Contracts

Orders for the twin turbines and boilers for Heysham B, together with the twin turbines and boilers for the AGR station at Torness, south of Edinburgh, will be placed soon. The South of Scotland Electricity Board received approval for the £750m Torness station last May.

The two boards, particularly the CEGB, are eager to place contracts for standardised, replicated turbines and boilers. The CEGB has complained that the AGR stations, built so far, have all been prototype stations, and have, therefore, involved the Board in extra costs. But, it is still not clear

signed between the supply industry and the Nuclear Power Company for the design phase of the boilers for both stations. The company has subcontracted this work to Northern Engineering Industries, which makes it expected that the Heysham decifavourite to receive a construction will meet with similar protion contract, with a substantial tests. proportion of the work likely to

boilermakers Babcock and Wilx. While some countries — The choice of turbines was the notably the U.S.—have slowed have recommended that the the pace.
choice be left to the responsible The Prime Minister said in the

be further sub-contracted to

manufacturers. Engineering Industries, and the should play. General Electric Company Onestioned on safety measures (GEC), both of which make the by Mr. James Callaghan, the

year-is said to have been due of nuclear equipment. to the deliberations of the Cen- Mrs. Thatcher backs nuclear whether one manufacturer will tral Policy Review Staffs, rather

now receive all the turbine and boiler work.

Contracts have already been than on any moves to hold up the nuclear programme because of possible public fears after the accident at the Harrisburg nuclear station in the U.S. But the Torpess station, where site preparation has begun, has already attracted substantial demonstrations, and it must be

#### Safety

subject of a long study by the their nuclear programmes, Central Policy Review Staffs, others such as France and the now complete. It is believed to Soviet Union have stepped up

Commons vesterday that she had The CEGB and the SSEB must, emphasized, during discussions therefore, choose between two at the European Council meetturbine-known as ing in Strasbourg last week, the four-flow and six-flow—and two part alternative sources of manufacturers. Northern energy such as nuclear power

two types. leader of the opposition, Mrs.

Delay in the announcement of Thatcher said: "We have an financial approval—the con-excellent nuclear Aspectorate in struction of Heysham B was Britain and our designs have a excellent nucleas Aspectorate in approved in principle early last very high regard to the safety

expansion. Page 12

#### Jobless total **ILK. UNEMPLOYMENT** falls again BY PETER RIDDELL, ECONOMICS CORRESPONDENT

ADULT UNEMPLOYMENT con- rise of 31,500 in four months

tinued to fall sharply in the last month, while notified vacancies rose to the highest level since November 1974. This reflects the upturn in economic activity and the consumer boom since early spring.

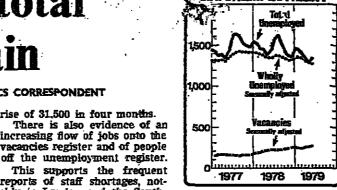
Department of Employment figures published yesterday show that in the month to midwill have as its new presument and managing director Mr. show that in the month to musterdinand Beickler, formerly of June the number of adults out of work in the UK fell by 26,800 to 1.28m, equivalent to The unemployment total has fallen by nearly 83,000 since mid-February and by 155,300 since the September 1977 peak

> Another sign of the strength of the labour market is the steady rise in notified vacancies, which are about one-third of the

There is also evidence of an increasing flow of jobs onto the vacancies register and of people off the unemployment register. This supports the frequent

ably in London and the South-east. The trend is also consistent with the recent buoyant level of consumer spending and a recovery in economic activity The labour market balance may start to change later in the year because of public spending cuts and the recruitment freeze in large parts of central Govern-ment. The expected slowdown in private sector output growth may also have an impact by early next year, after the usual

time lags.
The timing and size of any increase in unemployment are



jobs has broken down in the last four years. But Mr. James Prior, Employment Secretary, warned last week that unem-ployment could rise by a couple of hundred thousand over the next year or so.

The unadjusted UK unemployment total rose by 45,600 to 1.34m in the month to mid-June. This was entirely because of an increase of 104,500 to 143,800 in the number of school leavers on the register. The total is slightly less than at the same stage last year. Unemployment map Page 11

Feature Page 24

#### total jobs available. The number increased by 5,100 to 262,400 in impossible to predict, partly increased by 5,100 to 262,400 in because the traditional rela-the month to mid-June, for a tionship between output and

Du Pont sues ICI over patents BY SUE CAMERON, CHEMICALS CORRESPONDENT

E. I. DU PONT DE NEMOURS, the biggest U.S.-based chemicals group, has issued a writ against Imperial Chemical Industries, Britain's largest chemicals company, alleging infringement of UK patents covering poly-ester yarn production processes. ICI said yesterday that it would be contesting the action. It "did not consider the patents to be valid."

Neither company would give details of the case—Du Pont said the time for it to detail per cent increase to £114m in the alleged infringement and attributable balance for the six months to March 31. Page 26

But it is believed that Du Pont may be using the action against ICI as a test case. The American group said it had patent applications—similar to exclusive about the Du the UK patents which it alleges ICI has infringed—pending "in should not therefore have many major industrial coungranted in the first place.

Du Pont, it is thought, may hope to conclude licensing agreements for its polyester yarn processes in a number of countries. A successful defence of its UK patents would further this aim, especially as UK of technicalities rather than as patents and patent law are highly regarded in the interna-tional business community.

Du Pont filed the UK patents involved—1 406 809 and 1 406 810—in 1971 and 1972 "after years of intensive research and development work in the field of textured yarns, feed yarns and processes for their preparation."

ICI's defence, it is thought, may be a claim that there is

nothing particularly new or exclusive about the Du Pont processes and that the patents should not therefore have been

The two companies are be-lieved to have held discussions on the question of the two patents and may have decided on legal action only as a last resort. Both of them are understood to see the case in terms the first stage of a commercial war over polyester yarn produc-

Textured polyester yarn represents a major proportion of all textured yarn production. Total textured yarn production is comparable to the total world pro-duction of wool which was 2.537bn kilograms in the year ending June, 1979.

This is not the first legal fight over patents between ICI and Du Pont. A few years ago the two groups were involved in a similar action over plastics patents but the case was eventually settled out of court.

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# **OPEC** begins Geneva talks

By Richard Johns in Geneva

THE Organisation of Petroleum Exporting Countries began its Ministerial conference here today with member States having little idea how prices might be unified in a rational structure.

At Tuesday morning's session the key issue was not discussed as Ministers dealt with routine administrative matters and delegates said they were unlikely to get to grips with it until today.

Saudi Arabia is understood to be adamant still that the basic reference price set by its Arabian Light market crude should not rise from the present level of \$14.55 to more than

Following a three-month period in which producers bave been able to slap on surcharges of up to \$5.31 a barrel over and above traditionally accepted differentials, other members feel that the price of marker crude should be at least \$20 per

#### Uncertainty

The militant Iranian delegation is said to have been talking in terms of \$23—but this may be an opening bid of a kind that invariably precedes OPEC horse trading.

Most members favour return-

ing to a unified price structure and ending the chaos that has profited them but is acknowledged to have been unsatisfactory Asked about the eventual outcome of the conference, one

Venezuelan delegate summed up the general uncertainty with the comment: "Your guess is as good as mine." There has been talk of seting as an interim measure a minimum floor price-in effect the Saudi one-of \$17.50 to \$18 and a maximum of \$21, allowing producers to obtain whatever they can in addition for

premium crudes during the third quarter of 1979. Sheikh Ali Khalifa al-Sabah, the Kuwaiti Oil Minister, has said here he thinks the hest solution would be a \$20 official OPEC price. But a split price

Continued on Back Page Other energy news, Page 5

E in New York \$2,1585-1595 \$2,1376-1395 0,58-0,53 dis |0,62-0,57 dis s|1,74-1,69 dis |1,66-1,56 dis s|4,95-4,85 dis 4,75-4,60 dis

# **Fuel costs** push up U.S. retail prices

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

announced that the consumer price index rose by a further 1.1 per cent in May, largely cause of soaring fuel costs. So far this year retail prices have gone up at an annual rate of 13.5 per cent, and such relief as was offered by more stable food prices has been swamped by the mounting cost of energy.

Second, it was reported that Commerce Department's preliminary calculation of available economic statistics for the second quarter pointed to a fall of more than 2 per cent in real terms at an annual rate in the gross national product in the

The Department's findings, in a confidential document circulated to Cabinet officers a copy of which was obtained by the New York Times, highlight con-siderable weakness in consumer spending, housing and capital goods orders, all stemming from the diversion of resources into meeting the energy bill.

In the first three months GNP rose at an annual rate of 0.8 per cent; classically a recession is defined as two consecutive quarters of negative growth. Thus if the Department's preliminary findings are borne out by later data, the long-awaited and will have no recourse to recession may already have

largest proportion of the decline was accounted for by the precipitate fall in car and

Officials stressed that

Either an improvement or to spur investment.

THE TWIN spectres of con-tinued high inflation and an picture could therefore either energy-induced economic reces-worsen or improve these tentasion in the U.S. were given more substance yesterday.

First, the U.S. Government tive projections. But officials confirmed the accuracy of the New York Times report.

On inflation, transport costs in May rose by 1.8 per cent com-pared with April, and petrol alone went up by 5 per cent. So far this year petrol prices have risen at an annual rate of 55 per cent.

The housing index rose by 1.2 per cent, mortgage costs nearly twice as much, and utility costs. particularly fuel oil, by far

These combined more than offset a much more modest 0.7 per cent advance in the food smallest increase in this sector since November. Even here there were disturb-

ing signs; as the wholesale price index has shown, raw food costs have been stable or declining in the past two months, but processors, distributors and other middlemen have charged more, thus widening the spread between firm and retail prices. Опе question immediately posed by the apparent sudden downturn in the economy is what, if anything, the Carter Government will do to modify its economic policies. To date it has adamantly maintained that it will not entertain a tax cut while inflation is still raging. mandatory wage and price con-

sluggishly on both counts. The Senate and House Chairmen of the Joint Economic Committee lorry production and sales, have called this week for a itself a reflection of the energy stimulative \$20hn tax cut next year, with half coing to business

# **Chrysler Ryton workers**

vote to strike BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

voted overwhelmingly yesterday to strike from Friday, although the management had warned that the action would almost certainly, mark the start of a rundown in the size of our

The 2,000 workers are protesting against the company's offer of a 13 per cent pay rise In a letter to manual workers.

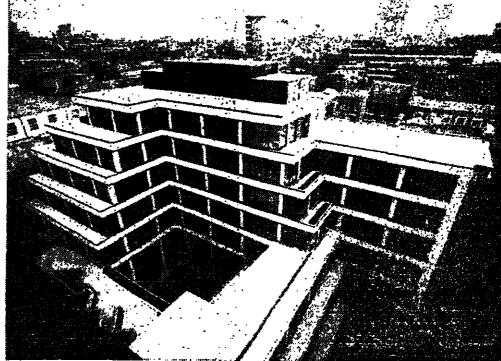
CHRYSLER UK workers at the the management pointed out Ryton assembly plant, Coventry, that the company had lost £130m in the past five years and the deficit forecast for the current year was about £30m. company was not in a position to make a settlement it could

not afford.

"A strike at this time will Continued on Back Page Peugeot plaus disturb Chrysler unions, Page 13 Engineers plan overtime ban, Back Page



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Richard Ellis

May trade

Denmark's

biggest ever

By Hilary Barnes in Copenhagen

DENMARK'S TRADE deficit

in May was the biggest ever

for a single month, at Kr 2.3bn (£200m), taking the

deficit for the first five months to Kr 8.1bn, compared with

keting this week, include in-

creases of over 20 per cent in

energy prices and cuts in Government and local govern-

The preliminary trade figures for May did not specify the contribution of oil to the growing deficit, but imports in May were 25 per cent higher than in May last year, when the first than in the first than the first

at Kr 8.29bn. For the first five months, imports rose by 16 per cent, to Kr 37.7bn.

Exports in May rose by 9.8

per cent, to Kr 5.9hn, and for

the first five months by 13.9 per cent, to Kr 29.6bn.

Last week's Government

measures are not expected to

produce an improvement in

the current balance-of-payments deficit, which was Kr 7.7bn last year and

Kr. 3.8bn in the first quarter

of this year, but they will pre-vent the deficit from getting

worse. The Government now

expects deficits of around Kr 9bn in both 1979 and 1980.

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balance of payments.

ment spending plans.

deficit is

# Emminger hints at discount rate rise

BY JONATHAN CARR IN MUNICH

ion's monetary stability policy resterday against riticism, and dropped a broad Emminger said the current dissundesbank president and here
riticism, and dropped a broad count rate of 4 per cent was not Karl Otto Poehl, the vice
spint that the discount rate will count rate of 4 per cent was not Karl Otto Poehl, the vice

His comments in Munich weaker-currency countries within the European Monetary System (EMS) that the tough course followed by the West Corrected before long, he said. It is understood that the Bundesbank has come close to raising the said. Jerman Central Bank has made their positions more difficult.

Speaking to the annual meetof the IFO Economic for partners abroad. stressed that effective stability policies by all member countries

OR. OTMAR EMMINGER, —at present largely isolated— Ministry, who was taking part in the IFO discussions with Dr. strongly defended his institutional others to follow sult.

Emminger, praised the general Apparently heralding further course of Bundesbank policy. foreign action in this direction, Dr. But he publicly chided both the Emminger said the current dis- Bundesbank president and Herr appropriate to market con-ditions. It could be asked

whether this should not be and did not do so because it felt the action, though demanded by German internal policy, would increase problems

Hence the central bank's pritation at foreign criticism -raised most receptly in an remained a key condition for the EEC Finance Council meeting, proper functioning of the EMS. The Bundesbank appears set on So far, experience in this raising discount rate in any case respect had not been very —and may take other measures positive, but this might change, in a further effort to contain

The declining population

would hit the economy in two

ways, by reducing consumer demand and putting strain on

the employment market. But in the short-term—over the next 20 years—the problems could be

The bulk of consumer demand would be maintained by the

large band of middle-aged-who

are now in their 20s. Moreover,

a 3-4 per cent increase in pro-

ease the impact of labour short-ages and imbalances.

with a static birth rate, it should

(£1.6bn) in 1984 because of fewer child allowances.

to change.

his visit.

news in the world.

other news magazine.

kept under control.

president, for their somewhat dramatic style of presentation.

He noted, for example, that Dr. Emminger had not long ago used the expression "alarm-level one" over the state of German monetary policy. Such words were likely to make businessmen and others feel less secure, Dr. Schlecht said.

Dr. Emminger replied be had used the words because although the Bundesbank had late last year announced a target rate for growth of money supply in 1979, the commercial banks had taken no notice of this for months. He finally felt it was time to bang the table and comments made to him Dr. Emminger said. West rising domestic inflation. and comments made to him Germany would have to fight Dr. Otto Schlecht, State since then made him feel he still harder to maintain its own Secretary at the Economics had been right to do so.



Dr. Otmar Emminger.

president of the Bundesbank

STEPS TO revise French

Ministry yesterday. It is expected that the reorganisation, which will

legislation on company accounts, will take until 1982 to complete. According to EEC directives. law must be

informative.

Forum for world leaders.

Just before leaving China, Deng spoke freely to one

As had Brezhnev a few weeks before, Deng spoke exclusively to TIME. Partly because in TIME his ideas

American publication about the purpose and significance of

would be spread among the leadership community in all the nations important to an emerging China; and partly because

TIME has long been recognized as the foremost journal of

land or language-that gains it entrance to the hard-to-

see...and earns it more readers in more countries than any

It is the importance of TIME Magazine-known in any

The news magazine for the internationally minded.

When China's Vice Premier Deng Xiaoping landed in Washington recently, the world's balance of power began

figures which must be presented in the accounts. The Ministry claims that

ing standards clearer, and also more adaptable to the needs of companies of different character the heading of Under

management indicators, annual The French are taking the opportunity to develop a system which they believe will be more accounts will be expected to show gross operating results, and the capacity for self-inner processing the capacity for self-inner process. accounts will be expected to

# Measures to ease Italy's exchange controls urged

BY RUPERT CORNWELL IN ROME

amid the successive lira crises of 1976, has been proposed by the country's currency exchange office (UIC). The office is closely, though not formally, dinked with the Bank of Italy.

Kr 6.5bn for the same period recommended steps include an increase in tourist currency allowances from the present L750,000 (£425) to L1m Last week, the Government announced tough measures designed to prevent a rapid deterioration of the current or L1.5m (£850) per trip, and a rise in the maximum permitted export and import of Italian banknotes to L300,000 from the The measures, which are to receive approval by the Fol-

present L100,000. The office is technically autonomous, but in practice works closely with the central bank. Its suggestions thus have considerable weight—all the

An easing of exchange controls would not only be the logical follow-up to the recent sharp improvement in Italy's external position.

They also could prove a usaful check on currency inflows, which have been behind the recent, and somewhat improbable, argument over the merits of a revaluation of the lira. The other proposals include:

1—An extensions of the maximum permitted period for repatriation of export proceeds and settlement of imports to 180 days from 120. This would bring Italy closer into line with

A SIGNIFICANT package of more so, since they were mitted life of special fereign measures to relax Italy's broadly endorsed by Sig. Paolo exchange accounts, from the stringent foreign exchange Baffi, governor of the Bank of controls, which were introduced Italy, in his annual report last exchange accounts, from the present 15 days to 60 days.

3—The right once again for Italian-based banks to extend lira-denominated credit lines to foreign correspondents, and

nch co

relaxation of the complicated procedures relating to foreign currency financing of import payments. 4-Measures to straighten out the position of Italian banks which have acquired holdings in foreign banks or set up their own foreign "holding" concerns, with a book value of an estimated L100bn (£58m).

Many of these deals are at present recorded as unspecified

present recorded as unspecified debit items on their balance sheets. Instead, the banks would be permitted to acquire international practice. the foreign currency required to 2—An extension of the per- bring the transactions into line.

THE population of West Germany is likely to fall dramatically over the next 50 years, with far-reaching consequences for the German economy, a long-term forecast issued by the Cologne-based Institute for German Economy said yester-

day.

The German population is likely to fall to 55.9m in the year 2000 from a total of 61.4m in 1976, the Institute estimates. Unless a rapid upswing occurred in the birth rate, matters would get steadily worse after 2000, with the poplation dropping to 42m in the year 2030, and 23.3m

Even these figures, the institute said, were based on a status quo model. In fact, a small but steady drop was taking place in the birth rate, so that be possible to save DM 6.5bn these forecasts were probably (£1.6bn) in 1984 because of

# German population falling | French revise accounting

accounting practice with the aim of bringing it more into line

involve the adaptation of French

accounting law must be harmonised by August next ductivity should be sufficient to year. After that, a further 18 months can be accorded to companies to make the Recent Government studies

have shown that the authorities can actually profit in the short-term from the declining birth rate. One has demonstrated that,

Frequent criticisms have traditional figures will be been made of present practice, organised under two main head-on the grounds that it gives ings,

# companies too much leeway to obscure what is happening in

the organisation. with European practice were put in motion by the Economics two main issues, a system of giving indications of general the management standards, and a will new guideline to the basic

these moves will make account-

The presentation of more

# Spain's inflation ahead of target

TORELL, Spain's economic he did not say by how much. On overlord, yesterday conceded a yearly basis, inflation is runthat inflation was running above the Government's target and, as a result, existing wage agreements would have to be

adjusted. Sr. Abril's comments coincided with the official announcement of the May consumer price figures, which recorded an increase of 1.2 per cent. For the first five months, the accumulated rate of inflation is 6.4 per cent. This compares with a government target of 6.5 per cent for the first six months. Sr. Abril, who is deputy Prime Minister with overall respon-

sibility for the economy, said yesterday that the January-June inflation figures would be above

ning at just under 14.5 per cent, which compares with a govern-ment target of reducing inflation during the year from 17 per cent to 10-12 per cent Government's wage

policy was formulated in a con-troversial decree at the end of December, when the Government gave up the idea of a negotiated agreement between trade unions and employers. Wages were allowed to increase to a maximum of 11-13 per cent. But it was stated that should the half-year inflation rate rise above 6.5 per cent, wage agreements would be adjusted accord-

Abril discounted the prospect of a generalised renegotiation of existing wage agreements. He gave no details of the mechanism he envisaged, but it appears that the Government is considering a simple adjustment which would permit the already agreed increases to keep pace with the higher rate of inflation. This may not be so simple to apply, however, since

SR. FERNANDO ABRIL MAR- the 6.5 per cent target, although at least 10 per cent of the major awards higher than the Government norm. Therefore it could cause considerable antagonism if the inflation adjustment were applied to the 12 per cent aver age envisaged in the original

> Last year, the Government refused to raise energy prices, especially the heavily subsidised fuel oil, in order to hold inflation down. This year, Spain has continued to import oil and oil products at above the European average.

The breach of the inflation target is part of a more general slippage in Government economic objectives for 1979. The planned 4 per cent growth in GDP is now unlikely, and could trick at 2.7 per cent. This would result in pnemployment increasing by over 250,000, instead of levelling off. Thus, if the unions so choose, they can take the Government to task using wage restraint as a bargaining counter. This could also be extended to the whole area of labour legislation now being for-

cenque frauconn

# E. Germans, Soviets co-ordinating Rhodesia strategy

THE EAST GERMAN and how to practise solidarity and Soviet Defence Ministers are to give effective aid to the meeting to co-ordinate in-peoples taking part in the anticreased military aid to the Patriotic Front guerrillas fight-ing in Zimbabwe Rhodesia. The Soviet Union is to step up shipments of artillery and groundto air missiles, with East Ger-many providing training. Gen. Heinz Hoffmann, East

Germany's Defence Minister, and Marshal Dmitri Ustinov, the Soviet Defence Minister, are holding talks in Moscow on their joint military efforts in southern Africa.

The East German Defence Minister is in the Soviet Union, after his recent visit at the head of an East German military delegation to the front-line states of Zambia, Tanzania, Angola and Mozambique which are aligned against Zimbabwe Rhodesia. Last week Mr. Joshua Nkomo, co-president of the Patriotic Front, spent six days in East Germany discussing details of the new East German military aid programme.

In a toast to Marshal Ustinov, Gen. Hoffmann said East Germany has learned from the in Rhodesia, including chemi-"Soviet Union and its army cal warfare agents."

imperialist struggle.

East Germany is estimated to have more than 700 soldiers and officers in Angola and Mozambique, whose armies they are training to use Soviet tanks and howitzers. At least as many East German civilian advisers are reported to be helping set up the state security and police

East European reports say East German army training officers are to be sent to Tanzania and Zambia to instruct the Patriotic Front forces in the use of 122 mm and 152 mm howitzers and Soviet ground-to-air missiles.

Yesterday's East German Communist Party newspaper, Neues Deutschland, carries a series of dispatches designed to show that the U.S. is setting up an "intervention force" possible use in southern Africa. The newspaper also quotes a Zambian publication which alleges that the West is "secretly testing new weapons

# FOR YOUR HOLIDAYS

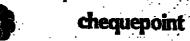


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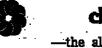
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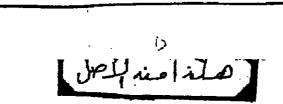
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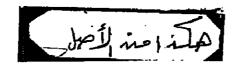


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**EUROPEAN NEWS** 

# Dutch consider tougher action on tax evaders

Y CHARLES BATCHELOR IN AMSTERDAM

S DUTCH GOVERNMENT is sidering taking tougher sures against the growing iber of people—possibly as two in three—who d paying their taxes. Prous now being considered by Finance Ministry include rate of income tax is 72 per publication of the names of cent while corporation tax is publication of the names of evaders in the Official ette and allowing tax inspec-to enter private homes.

r. A. Nooteboom, the State etary at the Finance Minis-is still considering the mmendations made in a conitial 400-page report. The ings, which follow three s of investigations by a

ie report showed that tax ectors discovered evasions come tax alone amounting 7 900m (£223m) in 1975. i paying tax actually do so. any improvement.

hile the proposals to pubthe names of evaders and offenders should face severe

cent, while corporation tax is 48 per cent on profits above Fl 50,000. A recent survey by Lloyds Bank put the Netherlands third from the top-with 46.7 per cent-of a table of the share of gross national product absorbed by taxes and social security payments in Europe

The figure for the UK was 36.6 per cent.

Details released of the stillper Director-General of Details released of the stills, Mr. W. J. Van Bijster.
secret Dutch report showed
that the penalties now imposed
are not high enough to discourthey could give to potential
age evaders even if they are age evaders even if they are caught. Unless drastic steps are taken, the situation is expected

to get worse. Most methods of avoiding tax are simple, but the tax authoripared with total income tax ties do not have the staff to ipts of Fl 8.1bn. Smaller combat them. The steady rise of unts of value added tax taxes over the years has led to also not declared. No a fundamental worsening of all figure for all forms of attitudes towards paying tax, the evasion is given but the report said. Even if taxes rt concludes that two out could be reduced, it is doubtree people in a position to ful whether this would lead to

tax inspectors to enter penalties, the report says that le's homes might involve a ge in the law, the Finance taxes promptly and in full stry is believed to be in should receive better treatment ir of a general tightening from the tax inspector. An in-normal approach works better e extent of the "black than an official letter, and ey" economy has been minor alterations to correctly ling the Dutch authorities filled-in tax returns should be ome years and the central avoided.

#### Jasques protest at killing

people demonstrating in barracks.

left the Spanish Basque country

ards used tear gas and in 1974. er bullets to disperse the Reuter

# )NDRAGON —Paramilitary demonstrators - after they guards battled with about marched on the Civil Guard

northern Spanish town yesterday at the killing 30, who was machine-gunned sasque nationalist in southrn France on Monday Basque nationalists in Bayonne,

banque française du commerce

exténeur The Annual General Meeting of Shareholders, under the chair-anship of Mr. François GISCARD D'ESTAING, President, assisted Georges ASSEMAT, Honorary President, and Mr. Albert OUVIER, Managing Director, took place on April 25, 1979, to prove the accounts for 1978.

Last year, and under the control of its statutory auditors, the nk completed the revaluation of fixed assets appearing in the lance sheet as of December 31, 1976. as follows:

For non-amortizable items, by means of a complementary revalua-tion of F.Fr. 18.7 million added to the F.Fr. 41.8 million already set aside last year and of which F.Fr. 30 million were incorporated in the capital on November 3, 1977. Consequently the fraction of "Revaluation reserves" available for subsequent incorporation into capital increased from P.Fr. 11.8 to F.Fr. 30.4 million.

For amortizable items, by means of two revaluations in compliance with the law, one being in the amount of F.Fr. 15.9 million in the form of a "provision" calculated in accordance with an index established by the tax authorities, and the other for F.Fr. 40.2 million in an "adjustment account" corresponding to the difference between the indexed value referred to above and the utility value of the overall fixed assets of the bank.

After deduction of the appropriation for amortizations and intingencies the balance sheet total amounts to F.Fr. 116.1 billion. e.; a progression of + 19.5% on the basis of the new accounting allings applicable as from January 1, 1978.

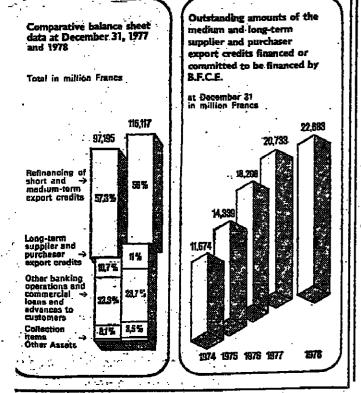
The main items of the balance sheet are as follows:

-All refinancing operations for short, medium and long-term export credits amounting to a total of F.Fr. 77.8 billion, represent 67% of assets and show a global progression of + 17.8%. As in the case of the past three years, the financial markets in Paris and abroad furnished the required "long term" resources half of which were in Francs, the other half in foreign currency.

Other banking operations and commercial loans and advances to customers of F.Fr. 27.5 billion, represent 23.7% of assets—a rise of +21.2%—treasury and money market operations constituting as in the previous year 46% of this heading of which the foreign currency portion declined representing 54.8% instead of 60.5% of this heading of which the foreign currency portion declined representing 54.8% instead of 60.5% of this heading. Loans, in various forms to customers progressed in the same proportion as the overall amount of this same heading of which they account for 54%.

After constitution of the various operating and non-operating serves (of which F.Fr. 22 million are destined for income tax. Fr. 5.5 million for employees profit sharing and F.Fr. 55.1 million or the non-guaranteed fraction of suppliers' export credits) and free payment of a special tax on financial institutions amounting to .Fr. 5.2 million and the appropriation of 22.3 million to depreciation, no not income available came to F.Fr. 43.5 million, i.e., practically he same as for the previous year (F.Fr. 43.4 million).

The year-end results have allowed an allocation to general eserve of F.Fr. 11.9 million and distribution of the same dividend as 1 1977, i.e., 7.5% with tax credit in addition, but calculated over a ull year on the bank's capital increased from F.Fr. 140 million to



#### Relief all round as Irish post strike ends

THE END of Ireland's 18-week

By Stewart Dalby in Dublin

Although it is not possible to calculate the full impact of one of the longest-ever public sector strikes in the Republic, it is clear that in both direct. costs and bad international publicity, the stoppage has been extremely expensive. The disruption is not over yet. The Department of Posts and Telegraphs has estimated that it will take only a "couple of days" to clear post already in the system. There are, however, mountains of mail waiting at centres other than Dublin. There are apparently container loads of mail vittiar. container loads of mail sitting at the Liverpool docks, the main transhipment port from Britain. It will be "several weeks" before the backlog is

cleared, according to the Department of Posts. Added to this, it is believed that about 50,000 of Dublin's quarter of a million telephones have broken down or faulted during the strike.

The Greater Dublin area has half Ireland's telephones. There has been no repair service, and it is anybody's guess how long it will be before the engineers get around to fixing them, even though they, like other post office employees, should be

back at work this week. The post office estimates that, in terms of lost revenue, the strike has cost £1m a week, or in total the better part of £20m. To give an idea of what this means, the department's revenue in 1978 was something over £200m. The bulk of lost revenue was postal, rather than telephone, income. Some of the losses will therefore be recouped when the post starts flowing

again, although there is no knowing how much mail was simply not posted because of the strike. Against the losses, the depart-

ment did save some £15m in unpaid wages. The strike fund ran out long ago, and most postmen have been living on social security for many weeks. Welfare benefits aftimately ran at a much lower level than wages. But even so, for the department (and that means the Government), what was lost on the roundabouts was almost certainly not made up on the swings, particularly when one adds the cost of the 15 per cent pay settlement for post-

men and telephonists. One of the worst-hit sectors, however, has unquestionably been the important tourism industry. Last year, a record number of over 2m tourists visited Ireland, and revenue was more than £300m which is equivalent to around 10 per cent of visible exports. The industry has been extremely

unlucky in that the postal troubles were componded by a petrol shortage just as the holiday season should have started. The voucher scheme was introduced for those on motoring holidays at the beginning of June, but by then much of the damage seemed to have been done.

The main problem has been that telephones in many main tourist areas in the west and south-west are not STD, and are manually operated. This has resulted in many holiday centres being virtually cut off from the outside world. Potential holidaymakers have been unable either to write or telephone. One leading hotelier estimated that the £150m the hotels made last year will be slashed by at least £50m this year. Restaurants have also been

The season is not yet in full swing. The tourist Board has announced an immediate cam-paign to advise potential tourists that the strike is over and that petrol will not be a problem. The Board is an efficient organisation and good at publicity, so some losses may be made up as the two main holiday months approach. It seems unlikely, however, that revenue will exceed last year's total.

Isewhere in the economy, the Government itself has been suffering from the drop in tax revenues, particularly in income tax and VAT. One estimate is that revenues for the first quarter were down by £150m. Taxation, both indirect and direct, was of the order of £2bn last year.

Many businesses have been suffering from the effects of unpaid bills. To cover this many businesses have had to borrow from the banks at steep interest rates to meet the backlog. ESB, Ireland's electricity board, has esti-mated that it is owed £20m in back bills.

The settlement would seem to be within the 15 per cent guidelines that the Govern-ment laid down in its "national understanding." which was for 15 months When the Government failed to gain acceptance for this understanding," it laid down an interim 7 per cent guideline for six months. The Post Office Workers' Union made clear that it regards the settlement as an interim one subject to further negotiation.

Rising oil prices have hit France hard. Robert Mauthner reports.

# Giscard wants joint action

post and telephone strike has been greeted by huge sights of relief from industry, from the banks, from the Government, certainly from the public at large and not least—although they are coy about admitting it—the postmen themselves.

The energy crisis, which will be emptying and that stocks of year.

At the same time, the rate of inflation has jumped to a level production of both capital and which makes the French goods is still improving and consumer goods is still improving and consumer goods is still government's aim of reducing the gap with West Germany are holding up well, the trend gun to underning Prime Minish beyond the summer.

The energy crisis, which will be emptying and that stocks of manufactured goods are considered to be too high. While production of both capital and which makes the French Government's aim of reducing the gap with West Germany are holding up well, the trend gun to underning Prime Minish beyond the summer.

The energy crisis, which will be emptying and that stocks of manufactured goods are considered to be too high. While production of both capital and of the same time, the rate of inflation has jumped to a level improving and consumer goods is still government's aim of reducing the gap with West Germany are holding up well, the trend is not expected to last much beyond the summer.

The energy crisis, which was the heart of the Tokyo summunicatured goods are considered to be too high. While production of both capital and which makes the French for the production of both capital and that stocks of an energy construction of both capital and which makes the forence of the Tokyo summunicatured goods are considered to be too high. While production of both capital and which makes the french forence of the Tokyo summunicatured goods are considered to be too high. While production of both capital and which makes the french forence of the fo ter Raymond Barre's 3-year-old

> At the end of last year, the outlook for the French economy was still relatively rosy. The current account was in the black to the tune of FFrs 17.8bn (about 2bu) for the first time since 1972, and the trade balance had swung into a surplus of FFrs 2.5bn after 2 years of deficits. There was a reasonable hope, given the continua-tion of tight monetary and credit policies and wage restrictions, that the rate of inflation could be brought down from 9.7 per cent in 1978 to something like 8.5 per cent in the current year.

economic recovery plan.

Economic growth and indus-trial production prospects were better than they had been for a long time. Thanks to lively demand for consumer goods and a favourable outlook for exports, helped by the upswing in the West German economy, the in-dustrial production index touched its highest level in January since before the 1974 recession. At the same time, the French franc was more than holding its own in the exchange markets, in spite of all the pessi-mistic predictions that it would be one of the first currencies to suffer as the result of the creation of the European Monetary

The wave of OPEC price increases since the beginning of Government last week, which the year, while not necessarily include a reduction in domestic spelling disaster for the French economy in 1979, has produced maximum temperatures for To add to M. Barre's troubles, a much more pessmistic busi-heating of buildings and stricter the politically sensitive problem

IT IS NOT for nothing that the of business opinion conducted no more than moderate the rise French have been so active reby the National Institute of in France's oil import bill. Statistically in promoting interstatistics (INSEE) indicates There is no question now of renational measures to deal with that order books are again ducing it below FFr 70bn this the energy crisis, which will be emptying and that stocks of year.

In the circumstances, it is hardly surprising that the authorities have scaled down their forecasts for 1979, and many independent observers even consider that the latest predictions are too optimistic. Thus, the French Government rise by about 3.4 per cent this year, while the OECD foresees that it will increase by no more than 3 per cent. It has not taken long for the

successive increases in oil prices to work their way through to the main economic indicators. The trade balance registered a substantial deficit of FFr 1.2bn in May, the first time that it has been in the red since the beginning of this year. And, while over the five-month period as a whole, it is showing a small surplus of some FFr 500m, it now looks very doubtful indeed whether the trade account will still be in the black at the end of 1979.

M. Barre's scheme of setting annual monetary targets for oil imports has been well and truly overtaken by events. The oil bill for 1979 is now expected to be in the region of FFr 70bn, FFr 58bn ceiling was still a realistic proposition.

The series of energy-saving

measures announced by the include a reduction in domestic fuel deliveries, a lowering of ness climate. The latest survey speed limits for trucks, can do of unemployment, which has



look still less attainable.. The cost-of-living index rose by 1.1 per cent in May, pushing the annual rate of inflation, calculated on the basis of the last three months, up to 12.6 per cent. The sharp rise was due mainly to increases in the price well be asked how the authorities can still hope to keep price rises to below 10 per cent for

the whole of 1979. M. Barre's recovery plan is therefore looking distinctly ragged at the edges, though many of the causes for this year's poor results are undoubtedly beyond his control. whereas only a few months ago Having made substantial pro-the Government thought that a gress towards restoring the country's external accounts, the Prime Minister is again faced with a fragile balance of payments. And inflation, which his Government never succeeded in bringing under control, has become even more intractable. To add to M. Barre's troubles,

1.3m, is as far from solution as ever, in spite of the adoption by the Government of successive job-creation and youth employment plans.
The one really effective way

to reduce unemployment would be to give an expansionary push to the economy and that, given the balance of payments and inflation constraints, is hardly a step which M. Barre could contemplate at the moment. A full-scale reflationary package is therefore out of the question, though a modest fillip might be given to the slack public works and housing sectors within the coming months in view of the expected slowdown in economic

> It is clear, however, that the real key to France's economic salvation lies in its handling of the energy problem. The long-term plans have already been laid. The French have one of the most ambitious nuclear pro-grammes in the world. The target for 1985 is for France to have a total nuclear electricity capacity of 40,000 MW, satisfying 55 per cent of the country's consumption of electricity, compared with only 13 per cent last year, and representing one-fifth of its total energy requirements.

activity after the summer.

But it will be a very long time indeed before France is completely self-sufficient in energy. The Economic and Social Council recently issued a warning that the country's reliance on imported energy could still be of the order of 60 per cent in 1990 if steps are not taken rapidly to conserve energy. That is why President Giscard d'Estaing was so active in pressing France's European partners to adopt a joint position on energy before the Tokyo

Though France did not win full acceptance for its proposals at last week's European Council in Strasbourg, President Giscard can be relied upon to return to

#### W. German steel orders fall in May

THE WEST GERMAN steel industry saw its orders in May decline for the second month in a row, although average bookings are still well above

the previous year's level.

Even so, the fall, which came about as a result of declining demand in the home market, must be worrying the industry. Sales are still markedly below prerecessionary figures.

The statistics, published yesterday by the West German Iron and Steel Industry Asso-ciation, show bookings for rolled steel finished products down 4.9 per cent to 1.78m tonnes from April to May. This follows hard on the heels of the 12 per cent drop in orders from March to April.

The figures, which do not include those for semi-finished products, hot rolled broad strip and special steels. show a 10,2 per cent drop in bookings from the domestic market — the industry's biggest customer. They fell from April's 1.2m tonnes to

Small increases in demand from European Community customers and buyers in third countries outside the EEC failed to offset the drep, EEC bookings rose by 3.9 per cent from 232,000 tonnes to 241,000 tonnes, while orders from third countries went up 5 per cent from April's 438,000 tonnes to 460,000

Deliveries from April to May rose by 9 per cent from 1.76m tonnes to 1.92m tonnes. As a result, the industry's order book fell back from 4.48m tonnes at the end of April to 4.34m tonnes—a decline of 3.3 per

However, according to the Association, bookings in May were 120,000 tonnes higher than in the same month of

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# New York calls for help as supplies drop

NEW YORK of the areas worst affected by the petrol shortage, yesterday appealed to Washington for help. The appeal came as netrol producers ally comes into play when refiners can no longer meet their customers' full needs.

supplies next month-Governor Hugh Carey asked the Department of Energy's Economic Regulatory Administration for a 45m gallon emergency boost to the state's monthly petrol allocation, which is currently in the region of

500m gallons. The Governor claimed that the current petrol allocation system discriminated unfairly against New York. But though at first officials in Washington said nothing could be done, state and federal officials met later to work out an emergency formula, There are two possibilities open to New York State. One

is to take advantage of the fact that July 1 falls on a Sunday to order delivery of the first

NEW YORK STATE, one of the 25m gallons. The June set-aside

their customers' full needs. Supplies are cut across the board, and allocated as percentage of consumption in some base period, usually the same month a year earlier.

A number of oil companies warned yesterday that their percentage, or allocation percentage, or allocation fraction, will be down again in July. Conoco said it would be 82 per cent. Phillips Petroleum predicted 81 per cent, Ashland Oil 82.5 per cent, and Atlantic Richfield 97 per cent. Other large oil companies were expected to amounted their fractions later this week-

The companies gave several reasons for the shortfall. They blamed shortages and high prices in the spot market, Refiners also claimed that July shipment before this week-Refiners also claimed that end. This is allowed under the they were trying to adhere to a allocation rules. The state department of Energy request could also try to dip into the July emergency "set-aside" of for next winter,

#### S. African strategic oil reserves 'not touched'

BY BERNARD SIMON IN JOHANNESBURG

SOUTH AFRICA has not used oil consumption. a single drop " of its strategic oil reserves since the Iranian revolution, according to Mr. D. P. De Villiers, the chairman of Sasol, the South African cor-poration which produces oil

These reserves, mostly stored in disused coalmines, have been oil and will start using South estimated at between 18 months Africa's third oil drill early next and four years of the country's year.

chairman of the state oil search company Soekor, said that the much publicised recent oil find off the southern Cape coast is not economically viable. Nonetheless Soekor decided to expand its search for

IRAQ, KUWAIT AMEND OIL CONTRACTS

# New clauses bring risk of price escalation

CONSUMERS are faced with a 34 deg API "marker" crude, There the issue is whether \$20.05 and Basrah Light would new mechanism for the escala- whose price since April has Saudi Arabia will be prepared go up from \$16.39 to \$19.05. new mechanism for the escala-tion of oil prices to the top been set at \$14.55.

going rate if the Organisation of Petroleum Exporting Coun-tries' Ministerial conference in Geneva fails to agree on a unified structure.

The device is the "most favoured seller's" clause that Iraq and Kuwait are inserting into their crude oil sales contracts retroactive to June 1. In OPEC the concept is not

new. The novelty and inflationary element in the policy of the two producers is that they plan to adjust their prices not to the highest rate set in the Gulf itself but—in the words of Kuwait's notice to its customers—"the highest pre-mium charged by any OPEC producer in the Mediterranean or the Arabian Gulf."

At present Libya is in the lead. It has imposed a surcharge for its light, sulphur-free, shorthaul crude of no less than \$5.31 over and above what previously question of differentials. He would have been regarded as indicated that it would be the correct differential in totally preoccupied with the relation to the Arabian Light unification of the base price.

A price of about \$20 a barrel for OPEC marker crude "has

the advantage of being both

acceptable to most OPEC member-countries and addi-

Mr. James Akins, the former

to five years.

In front in the leapfrogging game that OPEC members have

been playing over the past two months is Libya's Zuetina 40 deg API gravity crude, which is priced at \$21.31 compared with \$16.12 in March and \$13.90 at the end of last year.

As yet neither Iraq nor Kuwait have worked out what the correct rate should be for their crude oil varieties. Before the start of the Geneva OPEC conference, Sheikh Ali Khalifa al Sabah, Kuwaiti Minister of Oil, said that he had not yet decided what the price for his state's heavy, sulphurous 31 deg

Sheikh Ali was also doubtful whether the conference would have time to discuss the whole

Kuwait backs price rise to \$20

AN INCREASE in the price of U.S. Ambassador in Saudi affected by political influences. crude oil to about \$20 a barrel Arabia, said it was now It was imperative that leading

for a free market, and open bidding would force up prices

He warned strongly against any military intervention in the Gulf as an apparent solution to

Military action in the Gulf

could close fields altogether for

Middle East had confirmed that

world oil supply problems.

is the only option likely to be important for consuming coun-acceptable to both oil con-sumers and producers, Sheikh not enough supply was available All Khalifa al-Sabah, Oil Min-for a free market, and open

tionally, will result in inducing several years, savings in oil consumption to Mr. Fuad Itayim, editor

savings in oil consumption to Mr. Fuad Itayim, editor of prevent a repetition of oil the Middle East Economic Surshortages in the coming four vey said recent events in the

ister of Kuwait, told the City- bidding would force up prices sympton defensive money and Politics—the out- look for the 1980s," in Money and Politics—the out- look for the 1980s," in Money and Politics—the out- look for the 1980s," in Money and Politics—the out- look for the 1980s, in Money and Politics—the out- look for the 1980s and the look for the look for the 1980s and the look for the

BY RICHARD JOHNS, MIDDLE EAST EDITOR, IN GENEVA to charge a minimum of \$20 per barrel rather than \$17-18 which it considers reasonable.



Iraq too has not specified state's heavy, sulphurous 31 deg what its prices will be. The API gravity oil should be. At idea is that they should be present the official selling rate assessed at the end of the is \$16.40 per barrel compared month on the basis of prices with \$14.05 for its Saudi paid elsewhere after making equivalent. relating to gravity, quality and

> However, Petroleum Intelligence Weekly suggests in its Rather, they would prefer to last December, to show cause latest issue that the price for alleviate the burden by boosting that its suit is valid and its Kirkuk 36 deg API gravity assistance given through the postponed a final ruling until oil would rise from \$17.29 to OPEC Special Fund.
>
> August 20.

themselves directly with causes

of instability in the region

instead of merely treating the

symptoms by developing a defensive oil strategy through

Discussing the potential for intensified offshore oil and gas

exploration around the world, Mr. Peter Gaffney, senior partner in Gaffney, Cline and

Associates, said the interna-tional oil industry was at present unwilling to commit

International

go up from \$16.39 to \$19.05. the fund's capital to be Customers have complained increased by another \$800m in that linking Gulf crude with addition to the \$1.6bm contributes to the pumped by pipeline to the buted so far for development Mediterranean terminals is projects and help with balance unreasonable. If the principle of payments.

is Iran whose accumulative \$3.81. There is some indication extra money for the Third that Iraq is giving consideration to this argument.

Meanwhile there has been some confusion about Iraq's: a lower rate to developing for alleged price-fixing and countries. It does not plan to other anti-trust violations. offer a lower price but rather interest-free loans that would

Venezuela is campaigning for

In addition Sr. Humberto is to be enforced, they say, the In addition Sr. Humberto reference should be the highest Calderson Berti. Venezuela's premium in the Gulf itself. Minister of Mines and Hydro-Here the pacesetter at present carbons, suggested yesterday Iran whose accumulative that OPEC could borrow on the surcharge at present stands at international market to raise

refused to issue an injunction against the Organisation of reported proposal to sell oil at Petroleum Exporting Countries A trade union sought to

prevent the U.S. government effectively involve a consider and U.S. oil companies from able discount.

Other members of OPEC are increases on to U.S. consumers. opposed to a dual price Judge Andrew Hauk asked structure—with one rate for the the International Association of rich and another for the poer. Machinists, which filed the suit

Dr. Rosing said he did not

expect the oil companies to

much greater depths in the North Sea for another five or

ploitable hydrocarbon reserves.

ther search programme to cost SwFr 130-150m (£36-42m). An

Although no commercial re-

ryes have yet been determined

is nearing its end.

ten years.

John

taken its first concrete domestic action to tacked the growing threat of the chergy crisis by imposing a severe increase in the prices of diesel oil, and heat-ing oil used to homes Diesel off, with effect from

Diesel all with effect from yesterday, goes see by 20 lire to 215 lire (120). Here making a total merease of 25 lire a litre since the start of this year. Heating all will now cast 195 lire a litre a little and all litre into the little and the litre. The dicinions takes by the Cabinet reflect he intention of Sig. Francot litre intention of heating the will bear the hrunt of the birden imposed by the sharp line essent international oil prices.

The Minister again rejected calls for a sweeping size in the price of petun to deter consumption. However, the suspicion remains that once the summer holiday period is over.

Sharp rise

in Italian

oil prices

HE ITALIAN Government has

agreed

summer holiday period is over, the Government will move to lift the price from 1500 per litre (£1.30 per gallen) at which it has stood since late 1876.

The agreement to increase these product prices is a result of an understanding between the Ministry and the oil industry. In return for higher prices which allow them to compete more effectively for oil on international markets, the oil companies will maintain fuel and heating oil supplies at a normal level until the end of

Philit

Ask us

at your j

the year.
The measures are likely to They were already spending give a further impulse to inflaconsiderable sums on exploration in Italy by pushing up the tion and production nearer the surface of the seabed costs of freight and transport. Further price increases, now that the Ministry has appar-Wicks writes from Zurich: Geological formations ently given its blessing to a are known to exist in Switzermeasure of price freedom for fuel and heating oil, are conland which could contain exsidered possible this autumn, especially if the OPEC pro-This is stated by the Swiss oil and gas exploration consortium Swisspetrol Holding AG, ducers sharply increase the oil price this week in Geneva. now attempting to obtain financial backing for a fur-

Industry specialists are now waiting to see to what extent the authorities here yield to the existing exploration programme for fewer restrictions on the entailing costs of SwFr 130m price of other petroleum propressure from the oil industry

ducts. T. B. Peramunetilleke writes from Colombo: The Sri Lanka Government has increased the price of super petrolen, 50 per cent and diesel by the cent this month. The transport against of super petrolen by a gallon of super petrolen by \$2 and a gallon of these is 70 cents.

The Finsterwald project, in-volving a possible final boring depth of some 6,000 metres and thus the deepest in Switzerland to date, will cost some SwFr 23m alone and be carried out by the regional company AG: Luzernisches Erdoel

Holders of the above mentioned notes are hereby informed that according to the terms and conditions the total principal amount of notes is subject to early redemption on August 1st, 1979, at par.

The notes have to be presented for payment with all unmatured coupons strached thereto and cease to bear interest as of August 1, 1979.

103. Grand Rue, Luxembourg

#### North Sea reserves put at 78bn barrels

THE NORTH SEA may contain feet down and more reserves up to twice as much recoverable had then been discovered in oil as some of the major oil the same spot 17.000 feet below companies estimate, Dr. Ken the surface. Rosing, of Erasmus University, Rotterdam, said yesterday. start exploration drilling at

Dr. Rosing, speaking in London at a conference on oil, gas and insurance, said the latest oil company estimates of recoverable reserves in the North Sea ranged from 40bn to 60bn barrels. But work done at Erasmus University suggested there were 78bn barrels of recoverable oil in the North

sizeable funds to offshore projects where the discounted cash Dr. Rosing said more oil could be found by drilling much deeper into the bed of the flow rate of return did not reach North Sea than the exploration and production companies did at present. It was possible that considerable reserves of oil could be found beneath existing fields that had aiready been

He pointed out that in the



position ! 200 fully re-decorated rooms, automatic telephone, Sauna, beauty parlours. Night club

#### "Le Brummel" LES RELAIS DU PALACE

-- Relais bar

- Relais grili 1002 Lausanne,

**L**∭P witzerland RESERVATIONS 02I 203711

# in the 20 years that regional affiliates of Swisspetrol have been operating a number of cent an this in teen located, it is now intended to sink two deep boreholes, one at Finsterwald in canton Lucerne and the other at Hemrigen, near Bienne.

- Relais snack

EARLY REDEMPTION OF DOLLARS US 38,800,000 CREDIT INDUSTRIEL ET COMMERCIAL FLOATING RATE NOTES 1976/1981

CREDIT INDUSTRIEL D'ALSACE ET DE LORRAINE

been registered by a number of manufacturers of basic industrial materials, such as steel and chemicals in their annual accounting term ended last Employment situations are

steadily improving since last

Personal consumption has

tone, while plant and equip-

ment investments have been

showing some encourag-

ing signs of increases. Pro-

duction trends have also been

Noticeable profit gains have

still severe but there are emerging some signs of recovery. All this means that signs are now brighter for improvement of micro economies of Japan as well.

However, wholesale prices have been soaring since the beginning of this year, and it is now feared that wholesale price movements may push up consumer prices. Considering the serious oil

problems, uncertainty of the United States economy and worsening "frictions" with some of Japan's major trade partners, there is no unrestrained optimism warranted for Japanese business, despite growing signs of its recovery.

#### Mining and Manufacturing

Although production in March showed a decline of 0.3 per cent (seasonally adjusted. unless otherwise specified) below the previous month, that in the first quarter of the year rose by 2.1 per cent.

The rises were scored in production of all the three major categories of goods: investment, consumer and industrial.

As for production trends, it may well be said that production will continue to show some increases for the next several' months, considering trends in inventories and final demand.

Shipments in March declined by 0.2 per cent below the previous month. However, shipments in the first three months of this year rose by 3.4 per cent over the previous quarter.

A closer look at shipment figures would reveal that shipments of investment goods showed a 4 per cent increase over the previous quarter, revestments and private plant

Recovery of business in Japan bears

DKB'S ECONOMIC JOURNAL

production of consumption goods rose by 4.8 per cent over background of its firm under-

ventories declined by 1.7 per cent in the first quarter below the preceding three-month pe-

approaching "appropriate"

Of the components of domestic demand, private plant and equipment investments and final personal consumption have been showing

ments are believed to have maintained certain encouraging levels in the first quarter, following the previous

(seasonally adjusted).

will continue well into the second and third quarters of this year, because of (1) recovery of a balance in the demand and supply relation-ships as seen in a rise in the operating rate, and (2) some rises in both sales and profits at many firms.

Behind this is a relatively stable movement of consumer prices and some increases in overtime incomes of workers.

survey of the Prime Minister's Office, showed a rise of 3.9 per month of last year. Also, real wages in the Jan-

responding period last year. a rise of 2.3 per cent in the first indicators of exports, export

London Branch: Fifth Floor, PSO Bldg., 122-138 Leadenhall Street, London EC3V 4PA, England Tel. 01-283-0929 London Subsidiary: Dai-Ichi Kangyo International Ltd., 1-3. College Hill, London EC4R 2RA, England Tel. 01-248-7021

London Affiliated and Associated Company: Associated Japanese Bank (International) Ltd., European Brazilian Bank Ltd.

Head Office: 6-2, Manunouchi 1-chome, Chiyoda-ku, Tokyo 100, Japan. Tel. (03) 216-1111 Standard and Agencies at: New York, Los Angeles, Panama, Dússeldorf, Taipei, Seoul, Singapora Representative Offices at: Chicago, Houston, Toronto, São Paulo, Mexico City, Caracas, Frankfurt, Paris, Beirut, Jakarts, Sydney Subeldiaries at: Chicago, Amsterdam, Zürich,

Hon; Kon; Affiliated and Associated Companies at: Rio de Janeiro, Luxemburg, Hong Kong, Singapore, Kuala Lumpur, Bangkok, Jakarta, Manila, Melbourne, Sydnay.

It would also be known that

Reflecting the production and shipment trends, producers' in-

Because of this fact, the index of inventory rate (seasonally adjusted, 1975=100) dipped to 77.9 at the end of March from 81.1 at the end of December. It may well be said that the inventory levels are

#### Domestic Demand

particularly firm increases.

Plant and equipment invest-According to a survey on

corporate investments conducted by the Economic Planning Agency, plant and equipment investments in the January-March period are estimated to have risen by 12.8 per cent It is believed that the trend

Real wages, as indicated in a cent in March over the same

uary-March period increased by 3.5, per cent over the cor-By the same token, real household consumption showed

watching yet amidst soaring of prices Japanese business has been flecting rises in government in- two months of this year over the same period last year, according to another survey of the Prime Minister's Office.

What kind of movements will the previous quarter against the Employment, to begin with, appears to have now been sta-Although the situations are

still severe, there has been some improvement in the unemployment rate and in the effective job applicant to offer

The rate of wage hikes effected this spring seems to have been at about the same level as last year. Considering production

trends and rises in overtime allowances, it is believed that household incomes will continue to show gradual in-

Public finance, which has been the most important factor for recovery of Japanese business for the past two or three years, is still kept at a high However, the rate of expan-

sion of the national treasury has slowed down considerably. There will continue to be gradual rises in plant and equipment investments for some more months, centering around the so-called "rationalization investments," investments for the reduction of manpower and material costs and the elevation of efficiency and

productivity. Personal consumption which constitutes the most important portion of Japan's gross national product - is also showing a firm undercurrent.

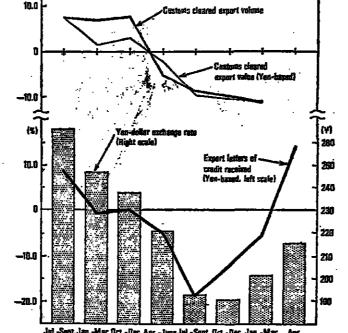
#### Exports

Exports have been showing declines both as expressed in the yen and in U.S. dollars.

According to customs clearance figures of the Ministry of Finance, yen-based exports declined by 13.6 per cent in February and by 7.6 per cent in March, both compared with the same months of last year.

Exports as expressed in terms of quantities also dipped by 14.2 per cent in February and by 9.4 per cent in March. However, it is now expected that exports will show some recovery, mainly because of

the weakening position of the ven since last fall. One of the "forerunning"



oil was a commodity profoundly a minimum of 15 per cent.

Year-to-Year Changes in Export-Related Indicators

The yen-dollar exchange rate is on a monthly average

letters of credit received (as Japanese industry, uncertainty expressed in the yen), declined by 12.5 per cent in the fourth quarter of last year below the same period of the previous

However, the rate of decline was reduced to 5.6 per cent in the first quarter of this year, and export letters of credit received in April finally showed a significant increase of 14.1 per cent over the same month of

last year. Another indicator, export contracts concluded by the country's leading foreign trading firms, have kept dropping since April last year, with the single exception of January this year.

However, the figure finally increased by 1 per cent in March this year. Because of the rises in the

forerunning indicators of exports, it may well be said that Japan's export trade has more or less bottomed out. However, it is not believed that exports will show any major increases for some time

to come, because of improve-

ment in domestic demand.

rises in the operating rate of.

of the U.S. economy, and so on.

The pace of rises in wholesale prices is being quickened. Wholesale prices, which began to soar in November, 1978, have been rising month after month. Wholesale prices in February and March showed a rise of 0.9

months last year. And, in April. wholesale prices went up by 1.7 per cent. This is basically due to (1) rises in commodity prices on international markets, (2) the weakened position of the yen, and (3) recovery of Japanese

domestic demand.

per cent each over the same

On the other hand, consumer prices rose by 2.6 per cent in he first quarter of this year and by 2.5 per cent in April in Tokyo's city area. It may well be said that consumer prices have been relatively stabilized. However, no optimism is justified about movements of consumer prices, because another hike of oil prices and public fares is anticipated to push up consumer prices gradually.

# The international bank with your interests at heart.



The next DKB monthly report will appear July 27.

# Individual service necessitates an individual banker...



Why is Albert de Bary your ideal banking parmer? Quite simple really. Our working methods. Taking care of that individual relationship with the client not as though it were a theoretical problem, but actually assisting by word and deed! Albert de Bary operates with

very short communication lines

their banking services. Our clients

because of the compactness of

deal with one professional indi-

vidual who handles all their hanking needs.
An expert. He involves himself in each client's specific

financial requirements. And the decisions taken will not be arrived at by monologue, but by dialogue with the cheat. Specific strategic decisions

are conceived in this way allowing

fast tactical reaction with indivi-

dual transactions on the inter-

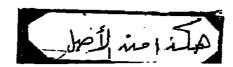
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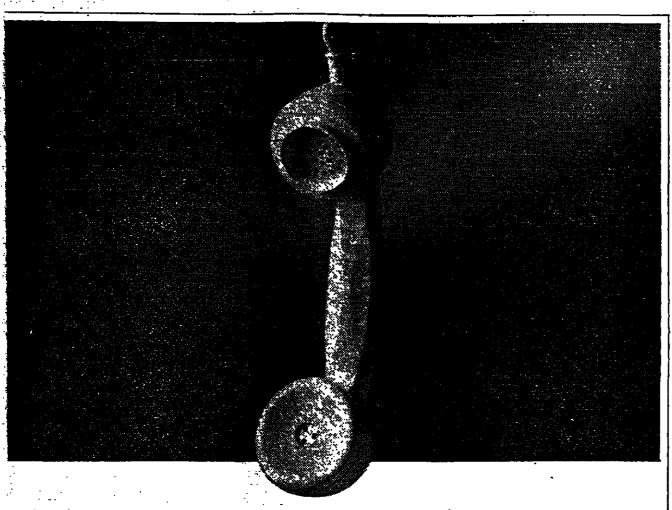
[ صلدامند للصل



# PHILIPS

# Simply years ahead





# Philips have a message of hope for all hangers-on.

The saddest sentence in the English langu-germust be "Line engaged, caller Will you hold?" you back if you call an engaged extension, when that extension is free.

It will bring a third party in on a conversa

Philips' new EBX 8000 computerised xchange kills both these imitants, and a good anymore. If a line is engaged, or unanswered, it- Monchen-Gladbach in just three or four digits. ill automatically transfer the call to another ne, or lines, in a pre-arranged rota.

DON'T CALLUS, IT'LL CALLYOU The EBX 8000 will even automatically ring

It will bring a third party in on a conversation, extensions. at your hidding. It has a very ingenious system of abbreviated dialling, which enables you to call

(Less chance of mistakes.) And if you want to prevent your secretary ringing her boyfriend in Sydney it has a fiendish

device that remembers to stop such an

abandoned use. And it does much more to make it literally 'future-proof'-from 300 to 8,000

The EBX 8000 typifies Philips' approach to business equipment. Put simply, it's the better ousetrap' philosophy. Philips believe all things are capable of

improvement. Inconveniences, snags, snarl-ups and delays are not an inevitable pre-ordained part of business life.



# How Philips made the quick brown fox jump even quicker.

the company earning over £6,000 a year. And I want the pyramid chart of our overseas structure completely revised. After that, you can. update our brochure for new staff to bring it into line with the Sex Discrimination Act."

A secretary armed with the new Philips 300 Series Dictating machine for word input and the P5002 Word Processor for word output would take this in her stride.

THE COMPUTER WITH A 40,000-WORD VOCABULARY The 300 Series Dictation/Transcription

"Send this memo only to the members of - range will cope with 30 minutes of dictation on - tax basis." Because the P5002 uses tloppy disks the new 'Mark and Find' mini-cassette-about 4,000 words.

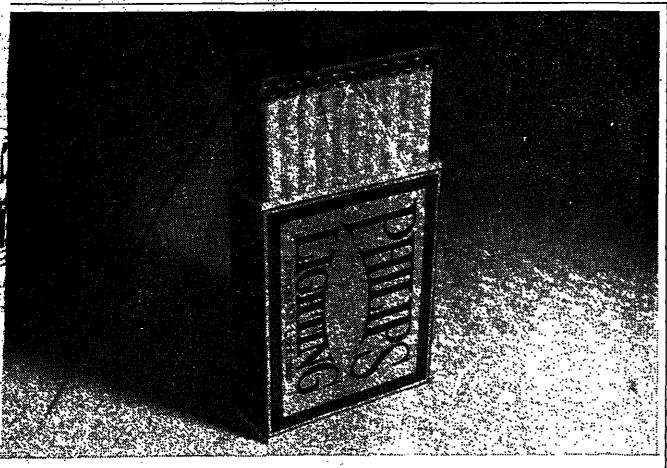
> 128 typed A4 pages which is the equivalent of 10 (typing, to you and me). of these mini-cassettes.

It will type them, amend them, personalize them (in the case of letters), search through a wholedocument for a particular phrase, and even

for its elephantine memory it cuts down dramatically the time your secretary needs The P5002 Word Processor can memorise for what is called her text production function'

So she has more time to be a real

And this, so far as Philips are concerned, is what business efficiency is all about making remember that every time you say "p. eratio" you \_\_machines do the boring, repetitive parts, so that want it spelled out as "price earning ratio on a nil people can concentrate on more rewarding work,



# Ask us for a light, and we could cut your lighting electricity bill by 1/3

light-output fluorescent lighting gave poor derived from their knowledge of colour TV. And accountants like it be colour rendering, and tubes which gave faithful Philips developed a unique combination of high electricity bills by up to 15. colour were poor in light output.

Indifferent lighting standards-whether in terms of level of light or colour values-are bad for productivity, for staff morale, and for showing goods to best effect in a store.

The breakthrough came with Colour 84.

derived from their knowledge of colour TV, light output and high colour rendering.

NO SELLING UNDER **EALSE COLOURS** Shopkeepers like Colour 84, because

nobody buys a blush pink cardigan only to find it's old rose when they get it home. Office

Until Philips introduced Colour 84, high. Using a new generation of fluorescent powders, managers like it because it's easier on the eyes. And accountants like it because it cuts lighting

Colour 84 is typical of Philips' attitude to efficiency. Don't just make something more economical. Make it demonstrably better. And this tenet is followed faithfully in every area of business efficiency in which Philips are involved.



#### What the well-dressed computer operator is wearing.

It is, of course, a mini-cassette. (A Philips invention, by the way.) But it's not for dictation. It's used to program Philips' new generation of small computers for companies about to take the awesome step of moving into computers

from electro-mechanical accounting. The INFORMA, P300 and P400 ranges have been designed to make this transition as

They range in price from the cost of a Cortina to a Daimler Double-Six. They are

backed by a library of 200 ready-to-wear pro- with computers, you should know that Philips grams, neatly packaged in mini-cassettes. THEY CALL IT USER FRIENDLY

Most important from a first-timer's viewpoint, they are, in the jargon of the business, gives them a unique storehouse of knowledge, user-friendly." They don't demand long retraining of your

staff, nor do they need new specialist staff. It takes a good typist under two days to get the hang

If you don't immediately associate Philips

are market leaders in all but the very largest data processing systems.

Philips'record to date of 75000 installations and puts them in a unique position to pioneer

These 'starter' computers illustrate aptly Philips' approach to business efficiency. Look at a problem from the user's viewpoint. And then innovate to solve those problems.

# Philips-awhole new world of knowledge in business efficiency.

In the last few weeks you'll have seen these advertisements for some aspects of Philips in business efficiency.

However, you'll realise that the picture is far from complete. We haven't touched on closed-circuit TV, audio and video systems, traffic control, environmental monitoring, or many other areas concerned with business efficiency.

WHO KEEPS THE KEY TO THE STOREHOUSE?

To bring these diverse interests together, Philips have set up a special unit-Philips Group Projects (U.K.)-to help companies engaged in plans which need a whole gamut of electronic products and services.

It is a single point of contact which can deal with everything from management services, design, engineering and

research to finance. The new communications systems for the All-England Club, Wimbledon and Britain's largest indoor leisure centre in Sunderland, are two ventures in which Philips Group Projects (U.K.) have played a major part, as well as a host of more modest projects.

NOT SEEING THE TREES FOR THE WOOD Philips are big in so many fields, its easy to overlook the

fact that they are very big in business efficiency. In fact, Philips market leadership in the free world includes business communications, telecommunications, dictation systems, as well as medium size data processing systems.

And, putting our money where our mouth is, Philips spend over £450M a year world-wide on research and development to maintain this leadership.

"Simply years ahead" is the claim at the top of this advertisement.

May we prove it to you, in one or more of the business efficiency fields we list opposite?

If you would li	ke more information about business products and systems from the assess your secretary to tick the appropriate box:
Philips Data Sy Financial Termina Philips Busines Pye Business C Public Address Sy	Systems   Electronic Accounting System   Office Computer System
To: David Hughes	Philips Industries, Arundel Great Court, 8 Arundel Street, London WC2R31 as literature on the items ticked above.
POSITION IN C	OMPANY
ADDRESS	
	POSTCODE

# Peking announces law for ioint ventures with West

BY JOHN HOFFMANN IN PEKING

day published a disappointingly sketchy outline of a proposed law to govern joint capital ventures with foreign companies. The announcement is likely

to give little comfort to wouldbe investors, many of whose discussions with Chinese officials have been hampered by the absence of conventional legal safeguards and specific provisions. A draft proposal has been

circulated for discussions by the 3.000 deputies attending the present session of the Chinese National People's Congress and the draft is expected to be adopted formally at the end of

Mr. Peng Zhen, chairman of the National Legal Commis-sion, proposed the draft but gave few details. His explanation confirmed only that China felt the need for appropriate

Mr. Hua Guofeng, the Prime Minister, also suggested this in his address to the congress last weck. He said the law on joint ventures would be submitted to the congress for examination and approval, after which the State Council would work out regulations and specific measures concerning the expansion of economic and technological

Mr. Peng told the congress yesterday: The State Council has decided to start certain joint ventures with foreign capital. We need an appropriate law for this purpose." He said the law would ensure that technology or investment supplied by foreign partners would be protected, as would their other legal rights.

He said a condition of any joint venture would be that technology or equipment con-

CHINA'S Government yester tails had still to be worked out. truly up-to-date and suited to China's needs. Operation of inint ventures would be joint ventures governed by the laws, decrees and regulations of China.

Mr. Peng said: "In the interests of the successful implementation of this law, specific details will be worked out and other related economic legislation will be made and enforced from time to time."

His statement made no reference to the proportion of foreign participation which would be allowed in a Chinese project. Nor did he mention management participation, tax provisions or controls on profit distribution.

Mr. Peng also presented the congress with drafts of other new laws to be adopted by China. One is a criminal law designed to protect individual property and rights, to limit the definition of counter-revolutionary offences and to reduce the application of the death potential investment partners. tributed by a foreign partner as penalty. If approved it will it suggested that specific de- investment would have to be come into effect next year.

# IMF critical of Israel economy

BY L. DANIEL IN TEL AVIV

the IMF Board of Directors, following a report prepared by an IMF mission which visited Israel several months ago.

The board is said to view with great concern the acceleration of inflation, the constantly demand, and absence of real cuts in the Government's

Also said to be subjects of are unjustified increases in real wage, and the ambitious striving for economic growth, which can only lead to further deterioration in the balance of trade and thus in Israel's external debt.

The fund, which supported liberalisation foreign exchange transactions introduced by the Likud Govern-ment at the end of October 1977, warns that the Israeli pound exchange rate must be kept in line with costs on the

It also expresses the view

STRONG criticism of Israel's by the Government are insuffi- to which must be added the cost economic policy has been cient to contain the infiationary of shifting the civilian settle-

The warnings must be seen against the background of an acute shortage of labour, parti-cularly in industry and con-As to the econo

This shortage comes even before relocation of the Israeli forces from Sinai to the Negev has begun. Military relocation and construction of new airfields alone, over the next three

expenditure—which accounts for a quarter of the GNP—grew by 13.8 per cent and private years, will cost Ifibn (£18.3m), consumption by 6.3 per cent.

### Hangings likely in Syria

favourable overall results.

Fiscal 77/78. Metals sector grew substantially. Chemicals sector sluggish.

At home, Degussa acquired a

Werke AG in Bielefeld, an important

Group sales rose from DM 4.5

billion to DM 5.1 billion, an in-

The Metals sector accounted for

56% of Group sales with DM

2.84 billion, a sharp increase of

24.7% over the previous year.

The Chemicals sector posted

total sales of DM 2.24 billion.

Net income for the fiscal year was

Assets acquired amounted to

DM 92.3 million - considerably

DM 79 million - principally in the

A dividend of DM 8.50 per DM 50

94.8% of total financial require-

covered by internal financing.

6% to DM 212 million.

Investment in Research and

Share capital was increased by

Development rose by one-sixth.

ments for the parent company were

a modest advance of 2.5%

DM 37.7 million as against

above the previous year at

Chemicals sector.

share was fixed.

DM 36 million in 77/78.

majority shareholding in ASTA-

step in broadening the Group's

capacity in Pharmaceuticals.

Highlights of Fiscal 77/78

crease of 13.8%

a 10% dividend.

BY IHSAN HIJAZI IN BEIRUT -PUBLIC HANGINGS are strike back at the Moslen expected to take place in Syria Brotherhood, which they blame soon after the sentencing to for the attack. death of a number of people accused of involvement in the Aleppo massacre of artillery

According to reports from for the Aleppo killings and for cople other assassinations in Syria
The during the past three years. The Damascus, up to 300 people have been rounded up. The during the past three years. The Syrian Government and Ba'ath group is said to have 4,000 that the measures taken so far Party officials have vowed to members.

**Degussa reports** 

Fiscal 77/78 was a year of mixed

fortunes for Degussa, a leading inter-

national chemicals and metals

company. Slack demand, intense

factors which curbed growth in the

Chemicals sector were more than

Metals sector, particularly in the field

sales rose by some 14%, and operat-

ing results were again satisfactory.

Degussa's foreign production

units increased sales by 8.7% and

accounted for 16% of total Group

differentials.

stream in 1978.

sales, down slightly from 16.7% the

previous year as a result of currency

In Mobile, Alabama, following

1976 and a methionine plant in 1977,

In Brazil, Degussa transferred its

In France, the Company increas-

ed its holding from 50% to 76% in

Rexim S.A. in Paris, which operates

Despite unfavourable market

N.V.-Degussa's largest chemical

Republic of Germany – maintained

conditions, DEGUSSA-ANTWERPEN

completion of an Aerosil plant in

Degussa's cyanuric chloride and

hydrocyanic acid plants went on

holding in Bragussa Ltda. to

Degussa s.a., São Paulo.

in the field of amino acids.

plant outside of the Federal

ot precious metals. Overall, Group

offset by significant gains in the

competition, and other adverse

Some reports in the Lebanese press say the Phalange of Mohammed, an underground faction, associated with the

The figures must be com-

pared with a State budget for As to the economic growth and home market demand. statistics released here show that while the GNP grew by 5.2 per cent in 1978, public

Mr. Carter brifed the Japanese leader on the details of the SALT 2 agreement, for which Mr. Ohira expressed support.

# Kaunda-Muzorewa move fails

overshadowed by an angry

political dispute between

black nationalist factions.

BY TONY HAWKINS IN SALISBURY

ATTEMPTS to arrange a meeting between Bishop Abel Muzorewia, Zimbabwe Ruodesla's Prime Minister, and President Kenneth Kaunda of Zambia have broken down. Mr. David Mukome, the Bishop's Foreign Minister, said yesterday that the summit was to have been arranged by the British Government, primarily to discuss economic issues, including the Zambian transport crisis. The meeting had failed because of "too much publicity." Meanwhile, the opening of the first black-dominated session of Parliament was

by Zimbabwe Rhodesia forces

will prompt fresh questions about the adequacy of security

arrangements in Lusaka for the

forthcoming visit by the Queen

and for the Commonwealth con-

into the sky yesterday from the Lusaka suburb of Roma after

a helicopter-borne raid by the

Rhodesians. Just two months

ago there was a similar sight

ing an audacious attack by Rhodesian commandos on the

home of Mr. Joshua Nkomo,

leader of the Zimbabwe African

People's Union (ZAPU) guer-

rilla movement, which is based

Despite this, the Queen is due

to set out on a tour of Tanzania,

Malawi, Botswana and Zambia

next month, arriving in Lusaka

on July 27 to be on hand for the start of the Commonwealth

conference on August 1. Some

30 Heads of Government will

be attending the Lusaka summit

Mrs.

Thatcher, the British Prime

The question of security at

the conference is a sensitive

issue inside Zambia, where

newspapers have furiously con-

demned suggestions that there

might be a problem. The Zam-bians have a great deal of

precious foreign exchange, time

and national pride invested in

both the summit and the

Queen's visit and are extremely

anxious that both should go

Unless there is a catastrophic

change for the worse, it seems

certain that the Heads of Government meeting will be

held as planned. Mr. Shridath

in Zambia.

including

Minister.

the Zambian capital follow-

A plume of black smoke rose

When Mr. James Chikerema, leader of the break-away Zimbahwe Democratic Party left Parliament after the ceremonial opening by President Gamede, a crowd of supporters of the Bishop's United African National Council surged forward shouting, "Chikerema snake." Mr. Chikerema said he was

unmoved by the demonstra-tion. He insisted that he and his six colleagues, who left the Bishop's party last weck, would retain their parliament-

Doubts on royal security

THE LATEST raid into Zambia Ramphal, Commonwealth Secre- guerrillas taking pot-shots at

ment for the venue to be changed. It is believed that even if there was a catastrophe

in Zambia, the meeting would

be postponed rather than trans-

However, there is far less cer-

tainty about the Queen's visit.

It is understood that the British

Government has yet to make a

final decision on her attendance,

and that in some influential quarters of the Administration

it is argued that she should

Zambia is still incapable of pre-

venting Rhodesian attacks, des-

pite British assistance last year

with its air defences. Although

Herr Heinz Hoffmann, the East

German Defence Minister, visited Lusaka last month with

a 20-man delegation, it does not

seem that any assistance which might stem from that quarter

will arrive before the confer-

Many people believe the Rho-

desians are most unlikely to

mount a major raid against the

ference, since this would be

counter-productive in propa-

ganda terms. There also seems

relatively little worry about the Queen's safety while she is on

the ground in Zambia. She will

be staying as President Kaunda's guest at State Lodge

and will have two special

houses at the conference centre

in which to meet Common-

concern to security men is the

safety of aircraft flying is and out of Zambia. These might

face the risk of jittery ZAPU

What is causing considerable

wealth leaders.

Zambian capital during the con-

Yesterday's raid shows that

tary General, has stated that them. Guerrillas have shot

he has received no representations from Heads of Governcounts in the past year.

BY MICHAEL HOLMAN IN LUSAKA AND MARTIN DICKSON IN LONDON

ferred elsewhere.

ary seats and would seek Cabinet-level representation In his speech from the throne, President Gumede called on the British Government to honour "not only its meral obligations, but also its: clearly-stated promise," by according recognition Zimbabwe Rhodesia and lifting economic sanctions.

He added that the Salisbury Government was anxious to live in peace and harmony with its neighbours, but it was also determined to take whatever defensive and preemptive action that might-

some

at the conference. But, there

are still armed men in the area

hard to get across to the guerrillas the message that they

must not open fire. But security

officials have been alarmed

when approaching Lusaka air-

This was not the first such

incident. Earlier this year there-

were several reports of ground-

approaching Lusaka, which led

the International Air Tranport

Association to issue a warning.

At the end of February a

Zambian Air Force Machi jet

and a propellor-driven air force

aircraft were both shot down

near Lusaka, almost certainly

by ZAPU guerrillas, jittery

after a series of Rhodesian

If the Rhodesian carry out

further attacks in the weeks

leading up to the conference,

the Zambian mood could again

turn edgy, though officials insist that security is under

control. To support this, they

point out that many of the 30

or so Heads of State who have so far said they are coming intend to bring their wives with

raids.

port. No damage was done.

Wielligh, president of the South African Chamber of Mines, indicated at the chamber's annual meeting yesterday. Referring to recent tension between the mining houses and white mine workers over greater

use of black labour, Mr. voo Wielligh said the level of productivity in the goldmining industry was "a cause for "The mining industry has. strenuously attempted to meet

S. Africa

'cause for

concern'

By Bernard Simon In

gold output

IMPROVED LABOUR relations

are one of the keys to the future

well-being of South Africa's

mining industry, Mr. P. A. von

this challenge but so far, no major progress has been made. "Every effort, however, will be made to reach agreement with the labour unions to permit employers to train and utilise the labour force to its fullest

guerrilas have been moving out of the camps they once occupied in the vicinity of potential."

White mine-workers who went Lusaka, making them barder targets for the Rhodesians and on strike earlier this year in protest against the increasing reducing the risk of an incident use of black labour need have no fear about the security of

their jobs, he added. Both the Zambians and ZAPU Mr. von Wielligh noted that, commanders have been trying mineral sales rose by 24 per cent last year to R6,876m (£3.7bn). Mineral exports accounted for about 65 per cent, of total South African export recently by a previously unearnings in 1978. The increase reported incident on June 12. was mainly due to strong rises in gold, diamond and platinum On that evening a DETA airlines fight from Maputo to Luanda via Lusaka was fired on

Mr. von Wielligh referred specifically to the sharp increase in demand for gold jewellery, sales of which rose by 14 per cent in the U.S. last year after fire on commercial flights a 24 per cent increase in 1977. South Africa had entered a "transitional" stage in its economic and political development; Mr. von Wielligh went on. The country had gained from its refusal to use strategic resources as political weapons. John Stewart reports from: Cape Town: Jail sentences running to 167 years and ranging from five to 30 years were imposed on 17 Africans victed under South African security laws in the Bethal circuit court, Eastern Transvaal.

yesterday. Last week, Mr. Justice Curlewis found 16 of the accused guilty under the Terrorism Act. One man was convicted on an alternative charge of furthering the aims of the banned Pan-Africanist Congress



Mr. Masayoshi Ohira

#### Carter to discuss Korea withdrawal

PRESIDENT CARTER will discuss U.S. plans for withdrawing ground troops from South Korea when he visits President Park Chung Hee this weekend following the Tokyo summit.

In a second round of talks vesterday with Mr. Masayoshi Ohira, the Japanese Prime Minister, President Carter stressed that the military balance on the Korean peninsula was a basic requirement for stability in the

The two leaders did not issue joint communique following their two days of talks. The first round on Monday centred on what the seven-nation economic summit meeting could do about oil imports. U.S. officials emphasised that Japan and the U.S. were not trying to reach agreement on a joint proposal to present to the other five nations participating in the summit. Any agreements would have to be reached by all seven nations during their two-day meeting which begins to-

During the second session,

Discussions also took place on the problem of Vietnamese refugees in South-east Asia. Although this is not on the agenda for the summit, the U.S. is hoping to win the copera-

The balance sheet structure im-

proved slightly with capital, reserves,

sources exceeding total fixed assets

Sales during the first months of

the new fiscal year developed favour-

Metals sectors. The outlook for the

against a background of currency

and monetary disruptions, uncer-

tainties in domestic demand, rising

operating costs, and the possibility

of sharp oil price hikes. Despite

these factors, Degussa views the

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To receive, and consider the annual mancial statements for the year ended March 31 1979. To elect directors in accordance with the provisions of the company's articles of association. To consider and if deemed fit, to pass with or without modification the following resolution as an ordinary resolution:

That the directors be and they are bereby surfactions to all the annual manual properties of the company of the control o from July 25 to August 1 1979, both days inclusive. Holders of stock warrants to bearer wishing to attend the meeting must comply with the regulations of the company audier which stock warrants to bearer are issued. A member entrated to the company audies to attend and speak and, on a poll, when to attend and speak and, on a poll, when to attend and speak and, on a poll, when to attend on a show of lands. A proxy appointed to represent a conportion may vote on a show of lands. A proxy meet not be a member of the Company.

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PUBLIC NOTICES

#### **AMERICAN NEWS**

# U.S. issues visa o Rhodesian Prime Minister

DAVID BUCHAN IN WASHINGTON

U.S. State Department has before Britain does, and that ed a visa to Bishop Abel black African public opinion ewa, Zimbabwe-Rhodesia's should be closely consulted. "No ewa, Zimbabwe-Rhodesia's Minister, to visit the U.S. e second week of July, p Muzorewa is likely to talks with the Carter nistration, which has just need a Rhodesia expert to with African carbons at the carter of the carter outh African embassy to ain contacts with the Govent in Salisbury.

10p Muzorewa is visiting S. at the private invitation nctions opponents in the and is expected to take tance to make a new public or an immediate end to S. trade boycott—a step iy opposed by the

Administration's display ability that it is willing to n touch with the Salisbury nment and to review pments there has ently taken some of the out of the anti-sanctions

Senate voted by a big ity to end sanctions this i. But signs of instability the Muzorewa Governand inside the Bishop's arty have had a tempering

on many members in the of Representatives, the Foreign Relations ittee recently voted unani-y that they should lift ons by October 15, but the President determines ational interest would be ely affected by doing so. move—if it prevails over lenate view—would give ent Carter the free hand d the national interest broadly: that the U.S. I not act to end sanctions

one wants to get out ahead of the British in this very difficult matter," a House committee official commented yesterday. Because the House Committee vote was unanimous—33 to O—its recommendation is ex-pected to be approved by the full House, perhaps as early as

Tony Hawkins adds from Salisbury: Officials here reacted sharply to President Carter's announcement that a junior State Department official would pay periodic visits to Zimbabwe Rhodesia from his base in Pretoria. One official described it "almost an insult."



Bishop Muzorewa

#### icaraguan aders go **Panama**

AMA CITY - The five raguan Government of mal Reconstruction are to e here today on their official state visit, in reamanian President

e five members are Sra. ta Chamorro, widow of of the opposition daily rensa who was murdered nuary, 1978; Sr. Alfonso lo, a leader of the broad sition front; Sr. Sergio rez, member of the oppo-Group of 12"; Hassan, a leader of the

M People's Movement, Sr. Daniel Ortega, memf the national directorate he Sandinista Liberatiøn nama recognised the Pro-

ial National Reconstruc-Government last Friday, days after breaking relawith the Somoza regime. date six countries have en relations with Gen. za's · Government: co, Costa Rica, Panama, dor. Brazil and Grenada. 's Foreign Minister has that his country is con-ing breaking relations. spite an aerial bombard-

t. National Guardsmen e little headway against Sandinistas fighting in agua yesterday. Mr. John and, an Associated Press ographer, said that the nen pushed the bowbs the door of a helicopter. The Sandinistas' morale is

#### Plan for takeover moratorium

SIX MONTH moratorium on foreign takeovers of U.S. banks was proposed by Mr. John Heinz, a member of the Senate Banking Committee yesterday. Senator Heinz a Republican from Pennsylvania said be would introduce legislation for the six-month moratorium, and also for the creation of a commission to study such takeovers, Reuter reports from Washington

Since 1972 foreign bank assets in the U.S. have more than quadrupled from \$18bn to \$7fbn, Senator Heinz said. "Li all foreign takeovers of U.S. banks proposed within the last year are approved, an additional \$21bn can be added, bringing the total amount to nearly \$100bn or about 10 per cent of

total bank assets," he said. The increase in foreign take overs had coincided with the rise of petrodollars, and a six-month ban would give the U.S. time to study and propose solutions to the problem.

**Bosworth predicts** high inflation

Mr. Barry Bosworth, director of the council on Wage and Price Stability, said yesterday he expects inflation to continue at a high rate for several more months, Reuter reports from Washington. "I do not think you can look to any moderation of inflation in the next few months," he told the Congressional Joint Economic Commit-

tee. He He expected substantial moderation in retail food prices in the next few months, but thought that any slack would be taken up by higher energy

# **Court disápproves of** he Golden Fleece

significantly narrowed the unity from prosecution that ibers of Congress enjoy for ments made off the floor of

one case, the court found Senator William Proxmire. prominent Wisconsin Democould be sued for libel for aments he had made in s releases and newsletters is constituents.

ntist singled out for avourable mention by the ator in one of his releases not a public figure who to prove "actual malice" the Senator's part in bringaction against him. ir. Proximite has for years n putting out one of

intermittently shington's occasionally and

ers to be outrageous wastes public money. The winners ve ranged from the Defence partment, for funding tests the aerodynamic qualities of 3 frisbee, to the Federal

SUPREME COURT yester- Highway Administration, for a significantly narrowed the \$200,000 grant to study \$200,000 grant to study motorists' attitudes to large

In 1975, Mr. Proxmire focused on a subsidy given to a Michigan scientist for research into the behaviourial aggression among monkeys. The scientist sued the

senator but lost in the lower

In its ruling, written by Chief Justice Warren Burger, the r another, it ruled that a court found that Mr. Proxmire's awards were "not essential to the deliberations of the Senate," and that the constitution's "speech or debate" clause did not provide him immunity. The senator's releases only "repre-sent the views and will of a single member," the Chief Jus-

tice wrote. Additionally the court found that the Michigan scientist and ealing institutions, known as in an unrelated case, a man named in a book as a Russian oth "award.

The statement of the stat nth "award. spy were not paule age and not enjoy the sense that they did not enjoy the the award what he conthe usual free access to the media to defend themselves.

Under U.S. law a public figure has to prove "actual malice" in order to win a libel action: that restriction

# Windfall profits tax: how it affects the oil companies

BY DAVID LASCELLES

decontrol has certainly cap-more oil. tured the heart of the nation. But it can hardly be said to have catured its mind. The proposed tax is one of the most widely publicised yet intricate pieces of fiscal legislation ever put before Congress. To make matters worse, it already exists in two versions, the President's and the House Ways and Means Committee's and it will doubt-less spawn further variants as it

works its way through to the statute books. On June 1, Mr. Carter used his executive authority to abolish existing controls on oil prices (this, incidentally, is one of the few things that the President can do about the current energy crisis without resort to Congress. Over a 28-month period. domestically-produced oil is to be phased into higher

price categories until it all sells for the world market price. But even then, U.S. oil prices will not be completely free. There will be a new "base price"

At the same time, Mr. Carter proposed to tax part of the

the dependence of the U.S. on imported oil.

Broadly, it would work like this: oil selling for \$10 per barrel before decontrol would be subject to a \$4 tax if it went up to \$18. This tax would be levied on top of federal and state income tax, royalties and so on. But the tax would be temporary, it would be phased out once the decontrol process was over, probably by the mid-Thus, a company whose

income from oil rose from \$100m to \$150m as a result of decontrol would pay a 50 per cent tax on the \$50m, or \$25m. The remaining income, \$125m, would be subject to regular federal company tax at 45 per cent, or \$56.25m. The company would thus pay a total tax of There will be a new "base price for oil which can be adjusted would thus pay a total tax or only for inflation, not for any sal 25m, an effective tax rate changes in the market or the excludes royalties and other

A temporary tax of this kind had been widely predicted. But oil rises above its controlled Mr. Carter went a step further level. Mr. Carter suggested a and unexpectedly proposed a 50 per cent tax as sufficient to new cut into the oil companies' wind-

PRESIDENT CARTER'S plan fall profits without dampening would take away half the difto axe windfall earnings oil comtheir incentive to use their newference between the new domesindustry accepted it as the
panies will reap from oil price
found wealth to go out and find
tic oil "base" price reached in political price for decontrol.

Subject to a 50 per cent rather to come in the costly northern 1981 and any increases in the Thus, the tax was partly a sop price of U.S. oil directly attribut-for decontrol, but partly a able to moves by OPEC, hence

The House Ways and Means Committee, the first Congres-sional body to examine the tax, for decontrol, but partly 2 able to moves by OPEC, hence sional body to examine the tax, measure to raise revenue which its name, the "OPEC" tax. The turned out to be hawkish. After Mr. Carter said should be idea. he said, was to prevent several days of lively debate it unearned and excessive profits put together a Bill which hartive energy sources and reducing resulting from possible future dened Mr. Carter's proposals

	WINDFALL	PROFITS TAX	K .
· ·.		osed by	House Ways and
_* _	Preside	nt Carter	Means C'tee Bill
Basic tax rate			
(per cent)		50	70
Tax on Alaskan oil			
(per cent)	N	one	50
Tax on new oil	50 on in	crease over	50 on first \$9 increase
(per cent)		er barrei	over \$17 per barrel
4-	7.0 p		70 thereafter
" OPEC " tax			
(per cent)		50	70
Gross yield	Low case	High case*	
(Sbn)			
1980	1.4	1.4	7.9
1981	4.0	4.2	5.1
1982	6.0	7.8	7.7
1983	0.0	7.0	6.9
1984	-	_	
	<b>-</b>	- ·   —	6.5
Low case assumes :	tero growth, H	ligh case asar	imes 3 per cent annual
real growth in oil p	rices. House	estimate assi	umes 1½ per cent real

grounds of its high transportation costs.

Reaction to the tax was mixed. The oil companies, not surprisingly, bitterly opposed it. And some of its suporters also argued

OPEC price increases. Mr. Carter made one big exception to rate to 70 per cent and widened his tax: Alaskan oil, on the the net to include Alaskan oil. though at a reduced rate of 50 per cent with an allowance for

transportation costs. But it also softened Mr. Carter's proposal in one way. It laid down a slightly more permanent tax to succeed it should either be tougher or generous base rate for newly need a high return to keep at what Mr. Cartwindfall profits tax. This more lenient. But generally, the discovered oil, \$17 compared to it, particularly since cheap oil the first place.

than a 70 per cent tax, the idea being to encourage the oil in-

The oil companies are angry about the tax because they say it will blunt their incentives to sive tertiary recovery techniques to enhance production from existing wells. So few costs are allowable against the tax that it amounts to a tax on revenue rather than earnings. (One treasury estimate of the costs that oil companies will be able to set against windfall, earnings in 1980 amounted to only 25 per cent.) The tax will fall hardest on companies (including many majors) who rely on their cash flow from existing production to finance future exploration.

On the other hand, many observers have argued that the last round of oil price increases did not produce a spurt in oil exploration and production. They also say that while the oil industry as a whole gets a return on its investment that is close to the industry-wide average of duction activities earn a return closer to 20 per cent, making a strong case for a windfall profits

The oil companies retort that exploration and production is a

hausted, and new finds will have or offshore areas.

The oil companies are most angry about the "OPEC" tax because unlike the rest of Mr. Carter's proposals, it amounts to a new permanent tax on oil revenues. Mobil, the country's second largest oil company and its most vocal, even went so far as to urge the industry to accept permanent price controls on oil from existing wells, in exchange for complete decontrol of new oil and no "OPEC" tax. This idea did not inspire the rest of the oil industry. though, particularly companies who have more old oil than they have prospects for new.

The House Ways and Means bill must now go to the house floor where it is likely to meet some opposition. But the windfall tax will face its toughest test in the Senate where the finance committee is chaired by Senator Russell Long of Louisiana, a large oil producing state, who is expected to rally to the oil industry's

In the likeliest scenario, the Senate will come up with a more lenient proposal than President Carter's. So given the tough line taken by the House. high risk business, and that they could turn out to be close to need a high return to keep at what Mr. Carter suggested in

Owing to industrial action and staff shortages the Post Office regrets to inform its customers that mail services in some areas are currently subject to delay. This is particularly the case for mails to, from or passing through the London area. Mail to and from overseas passing through London is also affected.

The Post Office is doing everything it can to remedy the situation and will be keeping its customers fully informed about any changes affecting services.

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#### IRELAND'S FOREIGN INVESTMENT PLAN

# The IDA fights the current

BY STEWART DALBY IN DUBLIN

ment Authority is nothing if ment, therefore, after allowing than 3 per cent

The IDA, the main instrument for attracting new foreign inincreasingly efficient agriculture other country in the EEC, with
vestment in the manufacturing sector, wants to find 25,000 new annual average increases of restment in the manufacturing sector, wants to und 20,000 new aminus are only 3m people in Ireland industry, yesterday released its jobs each year over the next few output of 9 per cent and exports are only 3m people in Ireland this has meant that American which forecasts a 15 per cent increase in the number of new jobs it hopes to create in manufacturing.

The main point of the plan is that it expects to find 75,000 new jobs over the five year period. This will entail approving 145,000 new jobs in manufacturing and 5.000 new jobs under its service industry plan. In its problem of unemployment in previous plan (1977-81) it Ireland.

The big question is whether it emerged as some 12,000 actual is realistic of the IDA to try

The targets in the new report are important because they are essential to the Government's development plan. The major objective of these plans is to oliminate unemployment by the carly 1980s.

At the moment unemployment is conservatively put at just over the expected growth rate of 6 100.000 or some 11 per cent of per cent in GNP, it is likely the

facilities in Swindon, which is

a year over the next five years

from higher than average un-

employment, has in recent years

ing a campaign to increase that

to encourage companies.

aiming to create 3,000 new jobs as possible.

BY LORNE BARLING

Swindon looks to U.S.

equipment makers are to be had only a limited amount of

urged to set up manufacturing development land, it aimed to

with the aid of foreign invest- Swindon could not offer the

The town, which is suffering other British towns, it had

employment, has in recent years U.S. manufacturers, mainly attracted U.S. investment worth because of its convenient around \$40m and is now mount-position and environmental

Mr. Douglas Smith, industrial have accepted invitations to

adviser to Thamesdown Borough discuss investment in Swindon,

Council, which is the local and Mr. Smith will meet their

authority for Swindon, is to representatives during a tour of visit 10 U.S. cities in an effort Massachusetts. Illinois, Texas

factors.

and California.

for a shrinkage in the work force in declining industries and an increase in labour from the

Westinghouse Electric of the U.S. is to invest £1.9m in its third plant in the Shannon duty free area. The new plant,

years. If the IDA can manage to reach its target of 15,000 jobs its new plan admits that if the each year it will be making a new job targets for the economy significant contribution to the

The big question is whether it and increase job creation by 15 per cent at a time when the economy is clearly slowing down. The previous job creation rate of 12,000 each year was achieved in the years when the Irish was extremely

buoyant. This year, rather than achieve

attract companies which would

provide as many jobs to the acre

Mr. Smith added that although

financial incentives provided by

already proved attractive to 20

More than 140 U.S. companies

ELECTRONIC He said that because Swindon

IRELAND'S Industrial Develop- the work force. The Govern- growth rate will be no more capital grants of up to 40 per In the past three years and research and development industry in assistance.

manufacturing Ireland moved faster than any

which will eventually employ 200 people will manufacture specialised electronic products

of 13 per cent. Yet the IDA in as a whole is to be reached output must increase by 114 per cent and exports by 16 per cent annually.

To help it attract new indus-

two refinements to its package itself a tall order. of incentives. First, it has doubled the needs to find new foreign amount of money to be spent investment of £400m each year on its new factory programme for five years. Although £100m

incentives.

cent tax write-offs, training aids

Above all Ireland has been able to offer a complete tax companies, say, which have set up in the Republic have been able to export to the Common Market not only free of customs barriers but without

any tax burden at all. From 1981 the tax system will change, and all companies will have to pay a rate of corporation tax of 10 per cent, this will still mean, however, that the tax burden is extremely light.

Despite these attractions it tries the IDA has introduced would appear the IDA is setting

To achieve the job target it to £27m. and it has started a of this will come from the IDA new product development itself the remaining £300m scheme. These modifications could be difficult if the come on top of a wide range of economic climate in Ireland is which include perceived as deteriorating.

#### China to join exhibition

BY HAZELL DUFFY, INDUSTRIAL CORRESPONDENT

THE CHINESE machine tool manufacturers which have taken industry will be exhibiting for space. These total 43, and the first time at an international exclude some of the major UK machine tool exhibition to be manufacturers. In contrast, held in Milan later this year. West Germany is taking 12

Machine Tool Industries, will Britain.

be held from October 10-18. Part of the reason for the Thirty countries will be low profile being taken by exhibiting, including 13 British exhibitors is un-CECIMO countries. Among the doubtedly that the Machine Tool

Mr. Guido Conti, commis-Birmingham. The MTTA sioner general for the exhibi-announced yesterday that it is tion, expressed disappointment also planning a metal cutting yesterday at the relatively small machine tool exhibition two number of British machine tool years later.

The exhibition sponsored by times the amount of space and CECIMO, the European Com- Italy, France and Switzerland mittee for the Co-operation of are all taking more than

other countries represented are the U.S.. the Soviet Union, is sponsoring a major exhibition of its own next spring in its own next spring in rmingham. The MTTA

#### **UK** export performance in France criticised

By Terry Dodsworth in Paris

THE SLOWDOWN in British exports to France this year was described as "dis-quieting" by the British Chamber of Commerce France vesterday following a report underlining the casual attitude of some exporters.

The report was based on a poll of chamber members in France, who were asked to comment on criticisms of British companies.

While the chamber believes that the problems are not widespread, it suggests that failures to bonour delivery dates, to respond to letters and to produce relevant literature are still too preva-

of the chamber, said that the image of "bone idle" British companies was becoming a serious factor which would be "terribly difficult" to reverse. The figures shows that French imports from Britain

Mr. Robin Ward, president

went into reverse as a propor-tion of total French imports in the first quarter of this According to French

customs statistics (which vary slightly from Department of Trade export figures) Britain captured only 5.3 per cent (FFr 5.6bn) of total French import trade in this period compared with 5.6 per cent

(FFr 5.2bn) last year. The growth of British exports to France, given as 6.3 per veent for the first auarter in the French figures, is shown more flatteringly la the DoT statistics. These have British exports going up by 9.9 per cent from £594.3m to

But the figures agree on the fact that the trade balance between the two countries, which grew to £700m in France's favour last year, is rapidly widening.

# Low air fares push world traffic up by 13%

BY LYNTON MALAIN

airline routes around the world the past 10 years." rose almost 13 per cent last But just over half—52 per the weakness of the rose almost 13 per cent last cent—of the total volume of dollar and the introduction of year compared with 1977, scheduled passenger, freight more low fares on the North according to the International and mail traffic handled by air. Atlantic boosted passenger and mail traffic handled by air.

passenger sector, where the number two in the league of number of people carried rose nations operating international killed 516 passengers. by 12.3 per cent to 685m.

The ICAO annual report said report. The work average was could read that the growth of 65 per cent for passengers, 10 maintenance needs. These could international scheduled traffic— per cent up on the trough of include an earlier-than-expected in terms of total tonne-kilo- 1970, the year many airlines retirement of some older metres—was more rapid than began introducing new, high-

But just over half-52 per

Civil Aviation Organisation, the lines of the 143-member states traffic to UN agency.

The record rate of increase accounted for by the carriers of Airline

services.

TOTAL AIR traffic on schedule for domestic traffic in each of capacity airliners, ready for future growth.

The weakness of the U.S. traffic to the U.S. by 21 per cent

Airline safety, in terms of compares with the average the U.S. and the USSR. passenger stallties per 100m annual growth of 9.5 per cent Domestic air traffic in the two passenger miles, worsened over the past decade.

The greatest growth in the than 40 per cent of the total report said. There were 23 tabulated freight, mail and passenger activities was in the passenger sector, where the members. Britain ranked 652 passengers, compared with passenger sector, where 24 fatal accidents in 1977 which

The report also said that the Freight tonne-kilometres rose by 11.7 per cent to 26.4bn and mail tonne-kilometres by just over 4 per cent to 3.3bn.

The ICAO annual annual services services services in highest levels for 20 years last the case of the DC 10s—for year, according to the annual structural integrity of airliners report. The world average was could lead to more stringent

# Speculation on Portugal car plant

BY KEN POTTINGER IN LISBON

here that major multi-national motor companies faced with the possibility of a Renault nearmonopoly in Portugal, are looking for investment opportunities where it might be sited nor here it might be made. "All I can say," he told the Financial Times, "is that I have told the Government in that Portugal is being considered as a possible site for here." to answer this challenge.

Ford are holding talks with the and Austria." Government on such invest. It is known that General ment have met with guarded Motors considers cheap labour reaction. Sr. Alvaro Barreto, costs here and the proximity of the Portuguese Industry the Spanish Saragosa assembly Minister, refused to comment plant as favourable factors in But Mr. Bill Werner, local the possible Portuguese siting director of General Motors con- of a components unit. GM does

a components manufacturing Reports that the American plant following our June 11th giants, General Motors and decision to invest \$2bn in Spain

It is known that General

THERE IS growing speculation where it might be sited nor decision recently taken by Ford U.S. headquarters not to build a new factory in Europe still

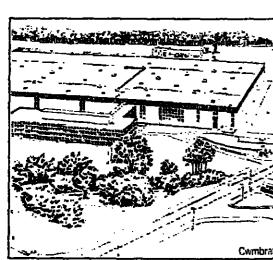
Mr. Byrne confirmed that he remained in "normal contact" with the Portuguese Government over the whole develop-ment of the country's depressed automotive industry.

The latest reports follow concern in the industry over the long-range effects the recently announced \$400m Renault expansion project will have on future market development.

The assembly and component manufacturing industry in firmed that he had been talking not expect to come to a decision manufacturing industry in to the Government on the before the end of the year. Portugal is in a state of flux as possible siting of a components factory in Portugal.

Mr. Patrick Byrne, general attempts to make it competitive manager of Ford, classified the with the EEC by the time Mr. Werner could not say reports as "purely speculative" Portugal enters the Community, what size the factory might be, and said as far as he knew the gather steam.

# 







# Mideast assembly plant talks

BY RAMI G. KHOURI IN AMMAN

SERIOUS TALK of building a Mr. Najdawi said in a recent car assembly and manufacturing interview is to form a Joint plant to serve the Arab market venture between the Sprianleast of Suez will be clarified next be a sprian be a s week after talks in Baghdad trial Company, which has between the two prospective expressed its interest in the

Arab partners in the project project.

These are the Syrian Jordanian He said that five major car Company for Industry, based in manufacturers from Europe Amman, and the Baghdad-based have expressed interest in the Arman, and the Baghdad-based have expressed interest in the Arab Industrial Investment company, one of the Pan-Arab a 1500cc engine. They are companies spawned by the Arab Volkswagen, Fiat, Mercedes, Economic Unity Council. Its capital is shared by seven Arab Iraq are considered most likely states — Saudi Arabia, Kuwait, Octor the United Arab Emirates would have to produce 50 000. Qatar, the United Arab Er Syria, Iraq and Jordan.

These seven will be the main market for the small car that is proposed to be assembled locally, according to Mr. Khalid

He will lead a delegation hold-ing talks in Baghdad next week with both the AIIC and the Iraqi Industry Ministry, at which decisions may be made on such major matters as whether the plant assembles imported kits or manufactures most of the car parts, the location of the plant and its shareholding structure.
The most likely arrangement,

produce 50.000 cars per year to break even, and facturing basis.

The probability is for the

to start assembling imported kits using some locally made parts, then gradually shift into full local manufacturing, he said. The assembly plant would cost up to \$60m (£29m) and would start operating within two years.

 Nissan Motors will more than double the value of its imports of vehicle parts and components from North America and Europe in the current financial year, automobile tyres in the initial Reuter reports from Tokyo.

Imports from the two markets in the year ending next March for use in Datsun cars sold abroad will total Y10bn (£21.6m) compared with Y4.8bn last year. The firm's total imports of

components and parts in the year will exceed Yibbn, up from Y10bn in 1978. Nissan said it is trying to increase imports of such items as

wiper blades, lamps and power steering equipment to help dampen foreign criticism of Japan's massive car export drive, and the company has with eight companies in the U.S., Canada, Britain and Austria. Meanwhile Yokohama Rubber, the second largest rubber pro-

joint venture with B. F. Goodrich of the U.S. to market car tyres and parts in Japan.

The new company will be called Mobex and will be capitalised at Y20m (£4.2m)

ducer in Japan, will establish a

and will be owned equally by the two companies. The joint venture is planning

to sell about Y500m worth of

This announcement appears as a matter of record only

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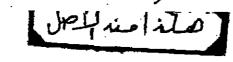
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عكذامنه لأصل

# MPs warned of hitch in tax treaty

Y DAVID FREUD

ble taxation agreement until e are firm U.S. moves to stop use of the controversial tary tax system by some

ary tax—which is assessed gress of the U.S. and the U.S. he basis of a proportion of Administration to demonstrate impany's world-wide income suse, if widely adopted, it of the combined reporting dead to multiple taxation method, if not in the treaty, and the combined reporting method, if not in the treaty, and the combined reporting method, if not in the treaty, and the combined reporting method, if not in the treaty, and the U.S. and the U.S

chause preventing the use of system by American states deleted from the agreement the Senate last year. A sed text was negotiated by ials, without the clause pre-ing unitary taxation, and oved by the U.S. Senate ign Relations Committee

TROUP of major UK com- on the Government to delay ies yesterday urged MPs not consideration of the treaty until onsider the revised UK-U.S. progress is made in curbing unitary taxation in the states. It said: "We urge HMG to delay consideration of the protocol by the House of Commons until sufficient time he UK companies dislike has elapsed to enable the Con-

> then by domestic legislation." After the resolution was passed, the companies lobbied MPs about their concern over the treaty.

Among the companies which passed the resolution were EMI, Foseco Minsep, BAT Industries, Reckitt and Colman, Booker McConnell, Cadbury Schweppes ntly. Chloride, Plessey, George oout 40 big UK companies in the Commons yesterday agreed a resolution calling and Stone Platt Industries.

# VAT relief will aid lisabled drivers

Y LISA WOOD

ERNMENT ACTION to endisabled drivers to lease at a much lower rate than tal through the charity bility was announced yesly by Mr. Patrick Jenkin, stary of State for Social

stability operates a scheme r which a disabled person receives mobility allow-may lease a car, maintenand repairs included, in n for the allowance. The pays for petrol, insurance

an advance rental. combination of factorsg car prices, VAT and est rates—meant that the nce rentals would be in-

sed substantially. stability thought that many oled people would not be to afford these. It suspended of new leases and asked Budget."

the Government to remove VAT

It has to some extent met this demand. Mr. Jenkin said that an Order would be made as soon as possible to relieve the charity of the effects of the Value Added Tax (Cars) Order,

This will mean that while the regular leasing charges paid by Motability's clients will still bear VAT, the organisation can recover the input tax paid on purchase of cars.

The Secretary of State said that this concession, with the 20 per cent increase in mobility allowances from November, would enable Motability to resume issuing car leases "on better terms than those available in the period before the

### Jideo camera résistance harming TV news cover'

al by unions to accept new rology in television will usly affect UK television coverage compared with r nations, came yesterday Mr. Alan Protheroe,

r of BBC Television News. . Protheroe was speaking he BBC prepared for its nation of 25 years of tele-n news. He was clearly not nistic about the start of the We are all of us on sides running out of time, are being overtaken by our agues in Europe. Our tradil leadership in editorial technical standards is at

t the heart of Mr. heroe's complaints is conheroe's complaints is coned union opposition to
use of ENG (electronic
s gathering) techniques.
s involves the use of
o cameras, which proinstant pictures, instead of ty firm equipment. Britain of one the few developed stries still using film as the

hange to the new techniques factory on Deeside Industrial only has a potential impact Park. rew manning levels but also ins less work for processing

I detect an increasing recog-on of the urgent need for a that the way forward-

THER WARNINGS that a and worthwhile medium of in-al by unions to accept new formation and communication is to use this new equipment

> Both ITV and the BBC have the necessary equipment. At the moment, ITN has a crew on experimental work under temporary agreements. The BBC cameras are mothballed after a similar temporary settlement

> It is an increasing preoccupa-tion of the British television news managements to get ENG equipment into operation. "For television news in this country to go down into the second division is far too high a price to pay," said Mr. Protheroe.

#### New factory for Deeside

NEW subsidiary has been formed by Cheshire Scaffold, of Hawarden, to manufacture prefabricated scaffolding towers and associated equipment in a

Some 3.5 acres have been leased from BSC (Industry) for the 25,000 sq ft factory and offices, expected to be ready for occupation in late 1979. It is ttion and a full understand- envisaged that 40 persons, principally craft welders, will be emeed our survival as a credible ployed there within three years. I inflation was 1p in every £10.

# Dresser in Scots mining search

BY PAUL CHEESERIGHT

THE Forestry Commisison has granted Dresser Minerals Inter-national an exploration lease covering 2,600 acres of moun tainous land south of Loch Tummel, near Pitlochry, in Scotland. Dresser is to mount a programme to search for

The lease agreement gives Dresser an option to mine on the property if minerals are discovered, but does not absolve the company from the need to seek planning permission for its activity.

Barytes is an industrial mineral, a heavy and inert material which is used in oil and gas drilling. Its presence in possible commercial quantities near Loch Tummel had been suggested by a survey carried out by the Institute of Geologi-cal Sciences for the Forestry

The survey prompted the com-mission at the end of last year to call for tenders to carry out further exploration. There were 10 applicants.

The level of interest reflected the firm demand for barytes at a time of extensive international oil exploration.
Although the development of
the North Sea has encouraged barytes production in the UK. operations remain on a small scale, largely in Yorkshire. Cumbria and Derbyshire. A large part of requirements is by imports from Morocco and Spain.

Barytes is a common mineral produced in about 40 countries, with the largest output coming from the U.S. where Dresser is a big supplier.

Dresser's work near Loch Tummel is expected to begin soon but weather conditions confine the Scottish exploration season to the April-November

#### Metrication change vital -Methven

THE CHANGE to metrication should be made as quickly as

general of the CBI, urged the Government to make a positive commitment towards completing the changeover. It was "unrealistic " for an efficient trad-ing nation to allow two systems to operate-one for the housewife and one for the businessman, he said.

Retailers and purchasing agencies should be encourage to adopt metric standards, and industry too had its part to

He said at the annual conference of the Institute of Trading Standards Administration in Brighton: "We are in the worst of both worlds where the managing director of one of our major companies-who is having to carry dual stocks—says they could release as much as £20m in capital for investment if the changeover was completed. What it costs industry as a whole to cope with both systems, in design, manufacture, stock holding, distribu-tion—right across the board— I hate to think."

Sir John also urged restraint in consumer protection legisla-tion. He challenged the Price Commission — whose abolition he welcomed — to point to a single case where it had been able to identify inefficiencies which were not known to management and which they

were not pursuing already.

"It was claimed that price controls protected the con-sumer," he said. "What nonsense. At annual cost of £7m or more to the taxpayer, its annual contribution to the fight against

Prince Charles yesterday visited the trading floor of the Stock Exchange. He was accompanied by Mr. Nicholas Goodison, the Stock Exchange chairman The visit was part of Prince Charles's programme of getting to know the work of City institutions. Before looking round the trading floor Prince Charles visited the offices of Mr. Goodison's broking firm, Quilter, Hilton, Goodi-

# New BL models 'will boost sales'

BY OUR MOTOR INDUSTRY CORRESPONDENT

said yesterday. He told a seminar that if the The BL policy of concentrat-Mini Metro, the Honda-Triumph ing on a "quality" car for and the new medium car to each segment of the market in market share at the expense of

mid-1980s, Mr. Bill Seward, of the Lex Service Group, told partner and motor analyst at the seminar that by the early stockbrokers Phillips and Drew, 1980s BL "should be poised of the Lex Service Group, told per ceint to 1.525m. for revival and growth."

replace the Allegro and the 1980s would play its part as Marina were successful, and well as the loyalty of motorists provided BL improved its in Britain. Mr. Seward presented Phillips

importers, about 150,000 extra and Drew forcasts which showed cars would be built in the UK. the brokers are expecting a 4 So therein lies our hope for per cent rise in new car sales but fall to 200,000 in 1980.

BL's planned new models could any major future recovery in in Britain this year to around give the company 30 per cent of UK car production."

1.656m but that next year registive UK new car market by the

Mr. Lionel Harvey, director trations might well fall by 10

But while the importers' share residents and some of the this year could rise by 13 per 120,000 summer holidaymakers cent to \$89,000 cars, in 1980 it that the rescue plan may go would probably fall away again to 775,000.

around 1.25m a year between 1978 and 1980.

Sales of light vehicles in the UK would be up 15 per cent to 217,000 this year

# Leaking tanker for Shanklin rescue attempt

THE HOLIDAY peace of the Isle of Wight was disturbed yes-terday after the Government approved a plan to tow a stricken and leaking oil tanker to within a mile of Shanklin Pier on the island's sandy east

The German tanker Tarpen-bek was holed last Thursday after a callision in thick fog with the Royal Navy fleet auxiliary St. Geraint.

The tanker last night was lying upside down with her stern stuck in the mud four miles off Selsey Bill, Sussex.

But the eight main tanks, holding 1,600 tons of lubricating oil, including thick gear oil, were still intact yesterday. The rescue plan approved by Mr. Norman Tebbit. Under-Secretary for Trade, calls for these tanks to be emptied after the Tarpenbek has been brought to the "shel-tered waters" of the Isle of

Oil from the damaged engineroom formed a slick off Selsey which was finally dispersed with

detergents yesterday seriously wrong.

Mr. John Horsnell, chief UK car production was ex- executive of the Isle of Wight pected to remain unchanged at County Council, said the Sandown Bay area chosen for the pumping "s the most popular bucket-and-spade area on the



"We can only assume that the

Government is highly confident that it can pull this off without The Trade Department sald

the object was to find sheltered waters where there would be the least risk of the ship breaking up.

The plan is to tow her upside

down the 15 miles to Shanklin. This will take two tigs 10 hours. The operation is expected to

etergents yesterday. Mr. Horsnell said his officials. There are fears from Wight had formally protested to Mr. Tebbit, through his private office. to Admiral Michael Stacey, director of the Govern-ment Marine Pollution Control Unit, to Knohr Burchard, the tanker-owners and to Smits, the Dutch salvage company.

The county council told Ministers that it expected "full compensation for all expenses The beaches round the point was already marshalling rescue



The L-1011-500. Nothing can match it. Now and for years to come.



Expert warns of cancer risk from fish bred near Windscale

BY DAYID FISHLOCK, SCIENCE EDITOR

TWEEN THREE and 10 ople may die of cancer over a next 20-30 years as a result eating fish contaminated with dio-activity released from the indscale factory of British iclear Fuels, in Cumbria, year. cording to one of Britain's top perts on radio-activity.

Birmingham University-says is is a pessimistic estimate. nich also assumes that our treat radiationduced cancers does not imove in that time: In fact, he says, "our under-anding of cancers is increasing of dremely rapidly." Bri

made in a report for Cumbria released by coal and oil is of the ounity Council. It explains the order of a few thousand a year, uplications in the latest annual "For each three people in

of spent nuclear fuel, were hotly debated during the Windscale public inquiry two years ago. Radio-active releases from Windscale were 12 per cent less in 1978 than in the previous

Professor Fremlin, who is the county council's expert adviser But Professor John Fremlin on radio-active discharges, says the danger from fish is due to a build-up of caesium-137-a bone-seeking radio-isotope - in bottom-dwelling fish such as plaice and brill living near the end of

the sea discharge pipe.
But he adds that the number of people already dying in Britain—not necessarily from Professor Fremlin's estimate cancer-from breathing fumes

uplications in the latest annual port from British Nuclear uels of its radio-active releases, om Windscale. The releases, fairly heavily, one will die of tweak radio-active effluent cancer as a result," says Prorising from the reprocessing factor Francisco rising from the reprocessing fessor Fremlin.

Between 60,000 and 80,000 deaths in Britain each year are due to avironmental causes, he says. One source of airborne contamination is the gas radon-222, the decay product of natural uranium. This is given off in small quantities by practically every building material other than wood.

"It has been estimated that the build-up of this in living rooms must be responsible for something of the order of 100 deaths from lung and bronchial cancer each year in Britain. If we operated a major heat-saving campaign by improving the insulation of houses, thereby reducing ventilation, this number might be doubled," he says.

Shellfish close to the Windscale factory also accumulate radio-activity, but gathering is already forbidden by Cumbria County Council because of the amount of untreated sewage discharged along its coastline.

A new era of long-range flight has begun.

British Airways has placed the first of its new fleet of L-1011-500 TriStars into service between London and the Middle East, Asia and the Orient. Five other major airlines will be flying this long-range jetliner in the near future.

The L-1011-500 brings those airlines a number of advantages. Its plane mile costs are 8-10% below those of its closest competitor. And for airlines operating in a changing,

competitive world, the L-1011-500 is ideally sized for developing new, long-range routes in this time of ever-increasing travel demands. In fact, the L-1011-500 is the ideal replacement for ageing, narrow, long-range aircraft.

For passengers, pilots and fuel-conscious airlines, nothing matches the L-1011-500. It is far and away the world's most comfortable, most advanced, most economical, big jetliner.

The Lockheed L-1011-500. The world's most advanced jetliner. BY STEWART DALBY IN DUBLIN

Northern Ireland Secretary, will have his first meeting with Irish Government officials in

He is expected to see Mr. Michael O'Kennedy, the Irish into the Republic with im-Foreign Minister, and his offi-punity. erals, but will not on this occasion see Mr. Jack Lynch, the Prime Minister, When Mr. Mrs. Thatcher in London soon after her election on May 3 he strossed the frish desire for a new British initiative on North-

The vexed question of crosshorder security will figure prominently in Mr. Atkins's talks. Economic questions as well as the problem of breaking the political stalemate will be dis-

pressure from leading Unionist politicians, not least the hard- long and runs through much

trade performance and of rela-

ress School, Charles Fulton, the

money brokers, and Gower

higher risks to sterling than

tive money supply growth.

fall in sterling

BY OUR ECONOMICS CORRESPONDENT

sive" judging by the main the end of last year, indicators of Britain's price and

This is the conclusion of the of North Sea oil.

expected demands

mainly for export.

has been a spectacular feature of

mining in South Africa in recent

years and its performance continue:

to be most impressive. In addition

to extensions on existing collieries.

five large new collieries were

brought to production last year. Two of these collieries will eventually

supply nearly 20 million tons

annually to two new Escom power

stations, and three will produce

Phase two of the coal export

scheme through Richards Bay started in November, 1978. This

scheme has enabled a progressive

build-up of coal exports from a

rate of some 12 million tons a year to a rate of 20 million tons a year

being primarily produced by the

three new export collieries.

**URANIUM** 

expected to continue.

month ago, the additional tonnage

The Government has issued provi-

sional letters of allocation for the

tons of coal a year through Richards

export of an additional 34 million

Bay. This will enable annual ton-nages to reach 44 million tons of

coal exports per annum by the mid

Uranium production in 1978

again recorded a substantial increase.

rising by some 660 tons, or 17 per cent, to 4 531 tons U308. The steady growth arises from the successful

negotiation over the past few years

major contracts. This trend is

There is understandably a search-

ing world-wide review of the opera-

nuclear power generation and this

may cause some delay in current

nuclear programmes. However, I

am confident that the results will confirm that nuclear reactors are

an essential means of generating electric power in a world faced with

shortages of other fuels and the discouraging results of research so

far into new means of generating

The outlook for uranium conse-

quently remains an encouraging one.

. The gold mining industry per-

formed well during the year assisted

hy the exceptional buoyancy of the

gold price, the continued ability of

the industry to attract an adequate

labour force, and a slow down in

the Elandsrand gold mine. Two more

major mines, Deelkraal and Unisel,

A notable event was the bringing

cost escalation.

The industry's marketing organisa-

electricity on a large scale.

tional difficulties associated

question of border security. The idea has taken root in greater number of Garda. Unionist circles that IRA assassins can flee across the Border

The recent spate of killings of members of the Royal Uister Constaulary and the Ulster Lynch paid a courtesy call on Defence Regiment in areas close to the border has lent weight to the idea that IRA can find a safe sanctuary in the

Republic. In effect the Irish Government does not willingly allow the harbouring of IRA operatives. Joint patrols are in opera-tion between the Irish police (Garda) and the RUC. However, there are probably not more than 1.000 Irish policemen Mr. Atkins has been under stationed along border areas. Since the Border is 290 miles

MR. HUMPHREY ATKINS, the line Rev. Ian Paisley, to push rugged and wild country, it Northern Ireland Secretary, the Irish Government on the would probably be impossible to police even with a much

Some further co-operation is theoretically possible since there are no direct army-to-army links. The problem here is that the Irish Army, just over 8,000 strong, is subordinate to the civil authorities.

The extent to which it can co-operate with the British Army is therefore technically at least

In the economic sphere Mr. O'Kennedy has stressed the pos-sibilities of closer co-operation in areas like tourism, energy and cross-border drainage schemes, and will again stress Ireland's faster rate of growth than Northern Ireland's leaves open opportunities for closer ties on agriculture and foreign

#### **GLC** promises to rehouse

has promised to rehouse 120 families in an East End estate

The families live on the GLC Prestons Road estate, on the Isle of Dogs, occupying six blocks of built before the First After receiving the tenant's appeal to the Prime Minister, Mr. George Tremlett, leader of the GLC housing policy com-mittee, visited the estate, and said he was "horrifled and felt a profound sense of shame that a

19th-century railway workers' don, Wiltshire, has received the accolade of the Royal Town Planning Institute, which this week presents its silver jubilee cup for environmental improvement to the architect's department of the local authority. Thamesdown. Built between 1840 and 1865 to house Great Western

THE RESTORATION of a

Railway workers, the village included 300 cottages, a mar-ket hall, three public houses, a lodging house and a cottage hospital site.

A rare example of planned 19th-century industrial hous-

But - the Greater London

ing, the village is on the ment's statutory list of buildings with special architectural

Restoration work, begun in 1974, is due to be completed next year. It has involved tion of dwellings and com-munity buildings. One, a church, has been turned into a railway museum.

or historical interest.

The institute called the project a "spendid example" of restoration of an outworn residential area, done with minimum disturbance to resi-

#### Residents lose fight for terrace

abrication of jewellery.

Of major importance in 1978 has hedge against price movements

A LISTED 19th century terrace Council now feels that the in London will be converted and the Covent Garden Com-

Under the Covent Garden Action Area Plan the houses in James Street were to be converted to provide workshops and flats.

commitment to traditional source

# closures 'costly'

THE COSTS of closing Prest-cold's two Scottish factories will far outweigh the company's need for capital to make it viable again, according to a study by the Scottish TUC.

The 900 employees in the two plants, which make compressors for refrigerators and freezers have been given 90-day redundancy notices, but unions are fighting the closure.

Drawing heavily on private eports by PE Management Consultants, acting for the Scottish Development Agency, and the local Prestcold manage ment, the congress says there is no good commercial reason for shutting down.

The evidence in both reports suggests that a market exists for Prestcold's medium and large compressors and that the new domestic compressor, which was to have been introduced this year, is as good as its com-petitors and has major buyer

#### Investment

The cost to the Government of closing the plants could be as much as £7.8m, including tax losses and unemployment bene-fit payments. The effect on the balance of payments of having to import compressors could be £13m in 1980. Against this is the estimated £4.8m investment needed over five years to return the plants to profitability.

The congress concludes: "No amount of ideological contortion can hide the facts that the costs of closure outweigh the short term capital needs of Prestcold "Only a government blind not only to the social considerations of closure but also to the to Mathews Yard, a site that is economic considerations, would closer to other GLC housing in allow the factories to go to the

# Prestcold | London gallery pays record £822,000 for French cabinet

was paid for a single item of furniture during the opening session on Monday night of a Sotheby's auction in Monte

Carlo.
The auction of French furniture is the most important since the Hamilton Palace sale of 1882. The collection, belonging to Mr. Akram Ojjeh, a Saudi industrialist, brought in a total of £3.9m in the first session. The record individual sum

was paid by the Heim Gallery of London for a Louis XV ormolu mounted marquetry corner cabinet by Dubois, after a design by Nicolas Pineau relatived right). It is surmounted by a clock signed Etienne Lenoir and was formerly in the Nathaniel Rothschild collection of Schloss Schillersdorf in Vienna. It was almost certainly made for a royal palace and was considered to be the finest piece of furni-ture ever offered at auction. Even so, the price paid was more than double Sotheby's pre-

sale forecast.

Mr. Ojjeh acquired the collection of 200 objects in November, 1977, from the Wildenstein family, the fine art dealers, who had bought much of it in the late-19th century.

He intended to house it in the S.S. France, but was advised that the sea air would damage the furniture. His speedy re-sale

#### SALEROOM

BY ANTONY THORNCROFT

should bring Mr. Ojjeh a considerable profit, because he is unlikely to have paid more than £4m for the collection.

Two other pieces beat the previous auction record of £240,000 paid at the Lady Ballie marquetry encoignures, £6,800 from Koopman for a stamped L. P. Latz, made George II baluster beer jug by £281,385.



York, were the £216,450 for a pair of late Louis XIV ormolu mounted boulle commodes stamped E. Levasseur; £205,628 for a Louis XV ormoly mounted bois satine travelling bureau plat, stamped BVRB; £162,338 for a Louis XVI tulipwood and sycamore marquetry commode, £140,695 for a Louis XV ormolu mounted parquetry commode, attributed to Charles Cressent. On Monday night Sotheby's held an auction at Slane Castle in Co. Meath in Eire. Irish glass totalled £80,190 with a top price of £1,600 from the national sale of 1974. A Louis XVI museum of Ireland for a bowl ormolu mounted marquetry inscribed "The Glorious ormolu mounted marquetry inscribed "The Glorious commode, stamped J. F. Leleu. Memory of King William III." fetched £454,545 and a pair of Silver brought in £69,015 Louis XV ormolu mounted with a best price of

#### Fife council to take stakes in small businesses

BY RAY PERMAN, SCOTTISH CORRESPONDENT

FIFE Regional Council yester- invest in companies provided the

to take 51 per cent shareholdings in manufacturing subsidiaries. The project is intended to

take over from the Youth Opportunity Scheme and other temporary employment measures to provide permanent jobs. It will be figanced initially with £33,000 from the education

budget. Legally, the council can type of golf tee.

day approved a scheme for expenditure is in the interests investing in small businesses as of part of the region and of the

a way of creating jobs.

putilic as a whole.

The council described as Mr. Robert Gough, chairman, unique a proposal to set up its Said the region needed to own holding assured to the region seeded to own holding assured to the region and of the region and of the region and of the region and th own holding company, Inwork develop entrepreneural skill as Ltd, which would be empowered a spur to creating new jobs. but technical and financial support fer new businesses during their critical first three years was also

Inwork will start with a staff of three and will be helped by the Scottish Development Agency and local companies. Among projects it is considering are the manufacture of aids for the handicapped and a new

### Home engineering orders slacken as exports rise

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

NEW ORDERS for engineering by industry to invest immediproducts from the home market ately after January's industrial indicate a slackening in the disruption. upward trend that emerged in

the latter half of 1978. The growth in export orders, which became noticeable at the end of last year, appears to be ten per cent in the volume of maintaining its momentum,

however. Official figures show a drop of new orders taken by the engineering industry from the home market between December and March, compared with the

previous four months. The downward trend con-tinued in February and March, perhaps indicating reluctance

The trend estimates are for the combined engineering combined engineering industries, covering the mechanical, electrical and instrument sectors. By contrast, export orders

have shown more buoyancy, with an increase of 11.5 per cent between December and March over the earlier period. In March, the index for the

# £1.5m West German order

Alpha Jet aircraft

STRUCTION, a member of the Balfour Beatty Group of BICC. has been awarded a £310,000 contract by the forge products division of Cameron Iron Works, Livingston. Part of an expansion programme, Balfour Beatty will design and erect a die storage building of about 40,000 sq ft north of the existing plant, and a material bond store of 2,000

FAIREY ENGINEFRING, a

M. L. HOLDINGS has an order worth over £1.5m from the Wost German Covernment for the modification of M. L. Aviation's panies for an extension to the first Masstock dairy farm built in weapon carriers to suft the Saudi Arabia in 1978. The farm, belonging to Sheikh Abdul Rahman Bin Ammar is located \$0 km. from Rivadh at Durmah At present the farm has 500 cows, and the extension will in-

> has been awarded a contract worth about £600,000 for the new Jordan Television Corporation production centre in Amman. Equipment to be supplied includes four colour cameras.

and the second second

[ هلذامندلاص

volume of new export orders stood at 124 (1975 average 100). leading to a lengthening of export orders are on hand than export orders are o nhand than the average for any year since CONTRACTS

#### The aviation subsidiary of M. L. HOLDINGS has an order machinery and livestock has

BALFOUR BEATTY CON-

Nuclear Fuels for the supply of stainless steel containers. These will be used for the containment of advanced gas cooled member of the Fairey group, has will be used for the containment of advanced gas cooled reactor GEC ELECTRICAL PROJECTS irradiated fuel element skips at has received a £185,000 order. BNFL's new Windscale pond via GEC Australia for replace-BNFL's new storage plant.

crease this by 200 to 700 cows. LINK ELECTRONICS, Andover

Telescopic handlers are part of a £270,000 purchase of equipment by the USSR for construction

storage plant.

A contract worth fim for the complete supply of buildings, Geelong Works:



The following is an abridged vercon of the address by Mr. P. A. von Wielligh, Fresident of the Chamber of Mines of South Africa, at the Sath annual general meeting of the Cramber in Johannesburg on 26th

#### PRESIDENTIAL ADDRESS

The year has been notable for a in damental change of direction in Covernment policy based on receptance of new philosophies cmanating from the De Kock. et organy. A movement has been the menetary system and foreign exchange markets, and towards the distribution of discrimination in the

The Government appears wedded to change at a pace acceptable to public, and, especially, to Whiterode union epinion. Nonetheless, the movement, though cautious, is a new phase of its development. A non-discriminator, basis for the work place has been accepted with important implications for the economy and the mining industry wider freedom of action, with accompanying responsibilities, has contorred

#### MINERAL PRODUCTION

Mineral exports constituted about 65 per cent of total South African exports in 1978 and contributed substantially to the surplus on corrent account, to the buoyancy of State revenue and continued attenathening of the economy in ineral. These export parnings have triped so far to cushion the effects carbiening effect will continue in the critical situation that new th eatens industrialised nations.

South Africa draws material continued during the past year to reventage from its spread of mineral negotiate long-term sales contracts. products in the past year, for some of which have been coupled example, economic uncertainties with capital loans for the financing have engendered strong demand for of expanded production facilities. the hodge commodities such as Nufcor has also made a number of rold. platinum and diamonds that smaller spot sales. There seems little has more than compensated for doubt that the industry's long weaknesses on base metal and other standing reputation for reliability minural markets that these same in the supply of uranium will ensure encertainties have helped to that we maintain a substantial share encender. South Africa is also of the market. fortunate in possessing substantial eserves of the fuel minerals, coal GOLD and uranium.

#### PLATINUM

As a result of better markets and higher prices the South African producers' profitability has been restored to levels at which they can contemplate a further expansion of production to meet demand Former to production ahead of schedule of tut-backs in production have been restored and the two major South African producers have indicated are expected to begin production that they are proceeding, albeit this year. Of further significance With some caution, to expand their was the decision to proceed with

**Economists predict** 

GREATER LONDON COUNCIL STERLING is looking "expen- six months back to the level at

"The market appears to have re-rated sterling because of the increased value to the economy latest issue of Exchange Rate with high interest rates, this Outlook produced by two re-rating could have misjudged comomists of the London Busi- the fragility of the UK's non-oil The outlook points out that ress. UK relative price competitive-The outlook "attaches much ness is almost 20 per cent above the historic trend level, while does the market" and projects relative supply growth is 10 per a fall in the rate over the next cent above trend.

# 120 families

after a tenant complained to Mrs. Margaret Thatcher, the Prime Minister, about atrocious conditions.

public authority could be acting as a slum landlord."

89th ANNUAL GENERAL MEETING OF THE CHAMBER OF MINES OF SOUTH AFRICA

new path of progress

totalled R448.3 million in 1978, an increase of 4.2 per cent on 1977.

A major feature of the gold

marker in 1978 was the enhanced

monetary role of gold which resulted from ratification of amend-

ments to the Articles of Agreement

member countries of the Interna- role.

of the International Monetary Fund

tional Monetary Fund to value their

for international transactions with-

our the previous restraint of an

As a result gold reserves held by

marker related prices in excess of

Obviously, this has important impli-

cations for gold as a monetary asset and for its role in the international

Gold has clearly been restored to

its place as an asset in the inter-national monetary system. Evidence

this includes the continued use

of gold as collateral for international

loans by a number of countries, the

continued sale of gold by the IMF as a means of raising aid for distri-bution to the less developed coun-

tries, the supportive role for the

dollar generated by gold sales by

the U.S. Treasury and the inclusion of gold as part of the backing for

the new European Monetary Fund which forms the reserve basis for

the recently introduced, European

The Swiss have always recom-

mended the use of gold as part of an investment portfolio. More

recently fund managers and invest-

ment analysis in the U.S. have more

cold as a portfolio investment. An

the decision by Alaska's State pen-

sion fund managers to seek legisla-

tive authority to include gold among

the assets of the pension funds, a

step which apparently has suppor

has been the decisions of some large.

well-known banks in the United

States to use gold as a savings medium in the form of gold certi-

ficates and passbook gold accounts.

This action endorses the dramatic

change of attitude towards the

monetary use of gold by the public.

the banking community and the authorities in the United States.

The major factor causing the ex-

ceptional rise in the gold price has

gold as a hedge against economic

uncertainty and, in particular, cur-

rency weaknesses, with the price of

gold accelerating in terms of all major currencies. Under the circum-

stances it was extremely gratifying

to note that the industrial demand

for gold had not suffered from any

price elastic response to the higher gold price. In fact the industrial

demand for gold in 1978 reached

THE GOLD MARKET

in certain other states.

international

monetary system.

THE MONETARY ROLE

OF GOLD

total gold production. Capital fabrication of jewellery. expenditure on existing producers. Of major importance

gold reserves at market related trated its energies on the established prices and to utilize these reserves markets of Europe and North

South Africa launched on

to meet the Beisa mine which although its highest level for many years role which the increased liquidity primarily a uranium producer will taking up in total about 1 300 metric of the gold futures markets has nevertheless when in production tons of gold. As previously, the played in providing a vehicle for make a contribution to the country's major portion was absorbed in the gold users, gold dealers, gold pro-

been the steady upswing in demand

for gold jewellery in the industria-lized countries of the West. Con-

steady rise of disposable incomes

and the desire for a hedge against

inflation. A further factor has been

the continuing growth of consumer

awareness of the advantages of gold

jewellery and in this the promo-

tional activities of the International Gold Corporation, the Chamber's

marketing arm, have played a vital

Until now. Intergold has concen-

America. Steps have already been

taken to explore the possibilities of

gold jewellery promotion in other

one of these, the Far East, an office

located in Hong Kong was opened

cation demand for gold expanded substantially was in the production

of official gold coins, most notably

the increased demand for gold for

which are marketed world wide by

Intergold, its achievement in selling

was marked by the Rand Daily Mail

Business Achievement Award for

the year.
The investment demand for gold

bullion, mainly in the form of gold

accounts held at major banks in the

Western world and the purchase of

countries remained firm during 1978.

Together with the investment pur-

chase of gold coins, the total gold

investment market in 1978 was esti-

mated at about 450 tons. Total gold

around the world was about 1740

tons, by far the largest demand for

The major factors leading to an

increased supply of gold last year

were official sales by the U.S.

Treasury and the International

Monetary Fund. In April 1979 the

U.S. Treasury tacitly indicated the

success of the supportive role of

the U.S. dollar no longer required

nger appears to be a destabilising

factor in these markets." In May,

the IMF reassessed its gold sales

policy in the light of current cir-

cumstances and also reduced the

amount of gold sold on its auctions.

to absorb the increasing amounts of gold on offer from aboveground

reserves over the past 18 months

is a clear indication of the funda-mental strength of demand and

gives cause for optimism that the

gold price will continue to maintain

levels which compensate for the

depreciating purchasing power of

hedge against currency uncertainty

the past year and emphasised that

The strong demand for gold as a

other monetary assets.

gold auctions by admitting that

gold over the past decade.

gold on auction because

purchased on international markets

small gold bars in less develope

more than 6 million coins in 1978

production of Krugerrands

Another area in which the fabri-

in January, 1979

Darts of the world where substant

flats built before the First into shops and offices in spite World War and one built later. of objections from the residents munity Association.

street should be mainly used for shops and offices as it is close to the piazza which will become the new commercial heart of the area.

The plan passed by the GLC and 13,000 sq ft of offices.

The housing plan intended for the site has been transferred Long Acre.

which might adversely affect their

interests. In so doing the gold futures markets have played an

important role in stabilising the

physical usage and consumption of

There have singe been a number

of meetings between the Chamber and the Mineworkers' Union. On

each occasion, the Mineworkers'

Union has been advised that in the

present circumstances the mining

industry does not wish to contem-

plate the introduction of a five-day

week in any form. Discussions are

continuing to find ways of making

the eleven-shift fortnight arrange-

gold for industrial purposes.

LABOUR

arising from it.

ullest potential.

this year.

During the year savings accumulated to the credit of mineworkers and paid through TEBA offices on their return home in the ten countries of Southern Africa totalled R143 million. These

Latterly the outlook has been obscured by the new fuel crisis which has necessitated the strictest economy in Solith Africa, as else-where, to conserve available oil industry's main power source is electricity from coal and it consumes only about four per cent of

the oil available to South Africa. increased foreign exchange earnings from minerals have become as vital to South Africa as fuel economies if she is to meet the mounting oil bill, and this situation emphasises the need for expansion into new markets, especially those offered by the movement of third world countries into the indus-

trialized phase. In doing so South Africa will enjoy a comparative advantage in the degree of State encouragen accorded to mining enterprise. unlike some other countries where

ment more cost effective by improving productivity and reducing the resources. rate of increase in working costs The level of the productivity of labour in the gold mining industry is a cause for concern. The mining industry has strenuously attempted to meet this challenge but so far no major progress has been made. To schieve the improvement which is so vitally important to the future Javailable skills and potential skills

must be fully utilised. Every effort will have to be made therefore to reach agreement with the labour nions to permit employers to train and utilise the labour force to its The publication of the Rickert Commission report and the first report of the Wiehahn Commission Both these reports recommend a

Government policy-2 movement away from constraints towards a dismantling of racial discrimination in the work place, the freer and fuller utilisation of labour and the in the free enterprise system. The first report of the Wiehahn Commission contains a number of farreaching recommendations which, if implemented by the Government. i will change labour relations signithat the more detailed recommenda-Another significant development support at the previous level and tions of the Commission relating that it was halving the amount of specifically to the mining industry will appear in a later report of the Commission, to be made public later

> organisation. The Employment geared to the new opportunities Bureau of Africa. Limited. known that will be created. mount of gold sold on its auctions. In many countries of Southern
> The ability of the gold market Africa as "TEBA," was able to fill all the industry's requirements of unskilled labour throughout the year and the organisation is increasingly involving itself in the Government commissions of provision of back-up services to enquiry. It is indeed of especial enable men to return regularly to the mines.

Continuing the policy of maintaining employment opportunities for mineworkers from the various countries in which TEBA operates, the Chamber maintained cordial has been clearly demonstrated over relations with the Governments concerned. The numbers of men gold currently plays "2 hard seeking employment have every- tional currency role." A factor which has where been in excess of the and pubeen given rather less attention, vacancies offered and have brought wards however, has been the important some problems of balancing our Africa. gold currently plays "a hard seeking currency role." A factor which has where

countries against our commitment to employ as many South Africans

remittances have a material impact in the improvement of standards of living in the countries concerned.

#### THE OUTLOOK

political constraint and regulatory "overkill" harass mining and endanger the supply of vital

South Africa has gained from its refusal to use its strategic resources as counters in international power play. It has established a high ing countries, for repaying its loans, rendering due return on investment and fulfilling contractual obligations. in an increasingly mineral hungry world. South Africa has become a trading partner not lightly to be

The South African industry has now advanced to the stage where it is perceived internationally as a critical factor in the strategic supply of minerals to the West. It is being recognised increasingly, too, as the main source of the economic resilience which is propelling South Africa forward, economically and socially, while equipping the country with capacity to match the national will to with-stand violent and disruptive change. The country has entered a transi-

tional phase flowing from the acceptance by the Government of economic and political philosophies that promise increasing freedom past constraints and the progressive dismantling of race discrimination in employment so that all may come to share more fully in the benefits of the free enterprise system. This confers new respon-sibilities on private enterprise to bring about change in its employment structures while maintaining job security for all: and it places an State to overhaul and improve the The Chamber's labour recruiting educational system so that it may be

> The country has been launched on a new growth path. The mining industry welcomes this departure which accords with its strong recommendations to the relevant significance for the mining industry which has moved decisively away from a position primarily of domestic importance to one sobstantial signifi-

supply equation and in the moulding of rional arritudes and policies to-

# Price Commission stages last defence

f DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

polish the Price Commisyesterday met veiled critiin the commission's latest report showed a record

of notified price rises up he end of April. The hly average number of cations rose to 426 from in the previous quarter. n the previous quarter, creases in costs. A county coun-the amount notified was cil estimated that as a result , against £721m.

rs some assurance, as intatic nor exceed what is sion was set up.

Government wants to Inflation brake on market pressures to prices under control. A bolishing the commission ng and the Monopolies nission greater powers to with price rises in areas imited competition is y to be published.

report stressed the value commission's regional rk of offices, which will be scrapped. These offices been a source of inforn about particular local g problems which could be unknown to a body only London-based staff,"

report also said that it een "particularly noticehow often the regional closed."

GOVERNMENT'S plans offices have been able to secure the correction of mistakes in the pricing of goods and ser-vices, to the benefit of supplier and customer." For example, following enquiries from a regional office, a laundry agreed to reduce a proposed 20 per cent price rise to 15 per cent to reflect more closely the in-

the trend of notified rises emphasised to us importance of scrutinising cations and offering contained and offering contained steady at slightly mission came from Mr. Charles and offering contained steady at slightly mission came from Mr. Charles and offering contained steady at slightly mission came from Mr. Charles and offering contained steady at slightly mission came from Mr. Charles are than one notification a thread herewing group, which was s some assurance, as in-pary pressures increase, 1.9 and 2.4 in the four years to price increases will not be July, 1977, when the commis-

it would save £6,000 on laun-

The commission said it had always held that the reduction in the frequency of price ingiving the Office of Fair creases was an important part of "the process of stopping the inflationary psychology that can produce instability and ineffi-ciency, since frequent price changes, even if small, reduce the incentive to reduce costs, make planning impossible and, by producing uncertainty in the minds of consumers, contribute

to the wage-price spiral."

Commission staff yesterday criticised the scrapping of the commission. The commission's branch of the Society of Civil and Public Servants said it was angry at the haste with which been

The shut-down, expected a the end of next month, will mean redundancies for 340 civil servants and the loss of 520 jobs.

"There is a need for an agency such as the commission, which is capable of examining in a flexible and conscientious manner the complex structure and performance of British industry, and monitoring price increases in an inflationary situation," the society said.

bread brewing group, which was recently investigated by the

He warned that while the body's abolition was a relief. "experience suggests that mechanisms of Government of one sort or another have a nasty habit of repeating themselves, perhaps in a slightly different guise."

Whitbread claims to have lost £5m profit during the two-month investigation this year. Mr. Tidbury said in the company's annual report: "It should be remembered that Whitbread. along with many other companies, had to submit large quantities of highly confidential information, and we regard it as of paramount importance that such information be either destroyed or returned to us."

\* Price Commission report for February 1 to April 30, 1979; HC 123; SO £1.50.

### lectricity sers plan w subsidy

ohn Lloyd

FORMS of subsidy to he poor, the old and the ed meet their fuel bills proposed today by the city Consumers Council

first scheme proposed give a free ration of one ılar fuel to certain e used in Ireland.

second provides eligible. ; with a benefit based on centage of expenditure, ly coupled with a flat rate at. The benefit would go ups "with a special need rmth," as the elderly and susebound,

#### wbacks

council's paper criticises cheme proposed by the Benefits Comn, which is based on a tested benefit.

rays it has a number of s drawbacks, "because of omplexity, its cost of istration, the invasion of y required by it, the take-up likely and the way uld worsen the poverty

my electricity consumers pelieve that prices are too according to the annual t of the Yorkshire Elec-Consultative Council shed vesterday. says that the prospect of er tariff increase in the un, following the 8 per

' very

rise in April, was

# Key Markets to use new laser check-outs

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

Lovell supermarket group, is greater control of sales informa-likely to become the first UK tion for management. grocery retailer to introduce Mr. David Caulfield Key laser-scanning electronic check-Morket's managing director.

research report suggests that more than half of all super-market check-outs will be electronically controlled over the next few years, with at least a quarter of check-outs using the new equipment.

The check-outs, already used in U.S. and European super-markets, contain a Jaser beam which reads a special "bar code" printed on grocery products and automatically provides price and product information for both shoppers and store

The system means that checkout operators will not have to key in prices, which often leads to mistakes. Shoppers will receive a till receipt which describes the product and gives its

Although this should lead to a faster and more accurate

KEY MARKETS, the Fitch the system is said to be the

discussion paper backed:
National Gas Consumers'
il and the Domestic Coal
mers' Council, the EEC
ses two schemes, both
on the principle of group

The Market's managing director.
Said yesterday that computer control of merchandise and monitoring the effect of price movements were the main its new 35,000 sq ft superstore at Spalding, Lincolnshire, in the system.

The Market's managing director.
Said yesterday that computer control of merchandise and monitoring the effect of price movements were the main results.

The Market's managing director.
Said yesterday that computer control of merchandise and monitoring the effect of price movements were the main its new 35,000 sq ft superstore at Spalding, Lincolnshire, in the system.

10.000 sq ft and likely to be best suited to the equipment. Mr. Caulfied said that expansion into other Key Markets stores would take place depending on the success at Spalding.

The Spalding store will have 14 check-outs operating the equipment, which is based on the IBM 370 system.

The other big supermarket multiples are also carrying out trials of electronic checkout equipment, although no firm date for the introduction of laser scanning checkouts have ye been announced.

The report predicting a boom in new electronic checkouts is published by Post News, a Somerset-based research company, and is called "Electronics in Supermarkets." It suggests there will be 33,000 electronic service, the main advantage of in use in five years' time.

#### Top supermarkets increase share

THE increasing dominance of the leading supermarket mul-tiples in the grocery industry has been shown by new figures now circulating in the trade. Prepared by the AGB research company these figures show that since 1976 the three leading supermarket operators -Tesco, J. Sainsbury and Asda -have increased their share of the £3.5bn grocery market by almost 10 per cent.

In 1976, these three com panies together accounted for 21.6 per cent of the packaged grocery market as monitored by AGB while last year their share had risen to 29 per cent. The figures for May show that this concentration has risen to 30.8

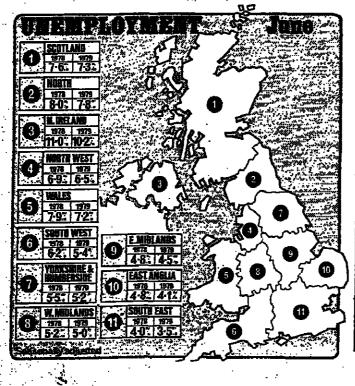
Tesco has the largest share, closely followed by J. Sainsbury and then Asda.

# **Jecline in adult unemployment** nasks regional contrasts

ULT UNEMPLOYMENT been falling for four stas running after the temary hiccup at the beginning the year caused by ustrial disputes and poor ter weather. Since mid-ruary, the UK total has pped by 6.1 per cent, on a sonally adjusted basis, but s has masked a widening of ional differences. the decline in the number

of work has been largest areas where economic ivity has been most eyant notably in the thern half of the country. The total has declined by 7 uths in London and the th-east, by 10; per cent in st Anglia, and by 9; per it in the south-west. n contrast, unemployment s fallen by only 5; per cent The north-west, where the reentage rate is roughly a arter higher than the Houal average, and by just er 51 per cent in Scotland.

ere the percentage rate is



# "We wanted to export body armour to the Middle East.

# How could Export United help us?

# The answer was interesting"



A relatively small company, Bristol Composite Materials Engineering Limited designs and manufactures lightweight composite and reinforced plastic products which it sells worldwide.

Products range from aircraft fuel tanks and carbon fibre flooring to a wide range of lightweight armours for protecting people, buildings and aircraft; also pipes for water well irrigation and process plant applications. Reports Mr. Alec Ewens,

Marketing Director, "We're enthusiastic members of Bristol's Chamber of Commerce and BOTB's Export United campaign in the West Country. So we readily embraced the opportunity created by a chamber trademission to Saudi Arabia.

This was to have a competition in the factory designed to increase awareness of the importance to all employees of exports and thereby encourage a greater team spirit.

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**EXPORT UNITED** 

Nevertheless, a proposal for Office will be exempt from

the retention of the nationalised examination by the committees.

ments proposing the retention to retain it was lost by 95

science and technology was There was strong pressure to defeated by 144 (201-57). This ensure that MPs had full access

subject will now come under to Government information but

A plan to allow the Home official information committee

Office Select Committee to was lost by 100 (172-72).

ments and the Lord Chancellor's

The disappearance of the committee on immigration and

race relations also upset some

members. An amendment trying

an amendment to set up an

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

yesterday.

But she gave a categorical undertaking that there would be a ful public inquiry before that the Government had not any decision to go ahead in the breeder reactor.

back to MPs on the European than we were, summit in Strasbourg last week, At the European summit, she and was looking ahead to to- went on, it was agreed to morrow's Tokyo economic sum-reinforce efforts to reduce con-mit where the oil crisis will be sumption of oil and achieve the the main topic of discussion.

already switched some power be played by alternative sources from oil to coal. On the safety aspect, Britain nuclear,

policy for the production and consumption.
conservation of energy that Dealing with the other aspects conservation of energy that could be put forward at Tokyo. for Europe — "indeed, we that Britain makes to the Com-haven't got a single policy." munity budget.

"We must have more con-

the future of nuclear energy." for decisions to be taken at the Mr. Anthony Wedgwood next meeting of the European Genn, Energy Secretary in the Council

THE IMPORTANCE of expand- last government, warned against ing the nuclear power station the danger of building an programme in Britain and the American-type reactor of the EEC as a long-term solution to the oil crisis was strongly emphasised by the Prime the French intended to build Minister in the Commons one of these, but we should not do so unless the matter was fully debated first in the

taken a decision on such a UK with the controversial fast reactor. The French, she said, were very much further ahead Mrs. Thatcher was reporting with the fast breeder reactor

conservation objectives set by She told the House that some the Community. The meeting of the Community countries had had also stressed the part to energy, including coal and

had a nuclear inspectorate, and there was a very high regard munity was ready to shoulder for the safety of nuclear equipits own responsibilities, we should be in a good position at Mr. Eldon Griffiths (C., Bury the Tokyo summit to call on St. Edmunds) asked whether other countries to make comthere was now a common EEC parable efforts to reduce oil

of the Strasbourg meeting, she The Prime Minister admitted took an optimistic view on the that she was not in a position chances of getting agreement to to say that there was one policy reduce the high contribution

certed action on agreeing about asked to formulate the proposals



Mrs. Thatcher leaves No. 10 Downing Street on her way to the House for question time. She then flies to Tokyo for

# Thatcher defends Walker efforts

BY IVOR OWEN

BRITAIN'S decision to with Mr. Walker told the Commons draw support for the EEC that he was in "total agree-Commission's proposal for a ment" with the proposal made general freeze on farm prices by the EEC Commission for a was not part of a wider deal on general freeze. the community budget, the Prime Minister assured the Minister's decision to abandon Commons yesterday.

Peter Walker. Minister of advised him to do so because of Agriculture, and insisted that some understanding at the EEC he had acquitted himself well summit in Strasbourg about in his first major EEC negotia- reducing Britain's contribution tion in Luxembourg last week.
This claim was brushed aside

Or was it that Mr. W by Labour MPs who cheered tion leader. He recalled that Mrs. Thatcher replied that before going to Luxembourg, there had been no linkage what-

Probing the reasons for the

ommons yesterday. "an impregnable position," he She vigorously defended Mr. asked if the Prime Minister had

Or was it that Mr. Walker had just not been tough enough Mr. James Callaghan, Opposito hold to his original position?

ever between the negotiations in the Council of Agricultural Ministers in Luxembourg and the negotiations between EEC heads of government in Strasbourg.

Amid Tory cheers, she told Mr. Callaghan: "I think you underestimate the excellence of the package which Mr. Walker

there was to be a freeze on milk prices. She emphasised amid roars of approval from govern-ment supporters, that no Labour minister had managed to secure

there was the " excellent " designed to produce a cut of 6p a pound The net effect of Mr.

Walker's efforts in Luxembourg last week," Mrs. Thatcher said, " is that we are now £30m better off than we would otherwise have been for the simple reason gained."

that we get back more of the For the first time since butter subsidy than we pay by Britain joined the Community. way of increased prices."

Farmers were certainly very pleased with Mr. Walker's efforts because without them they would have been left to

# Government warns of shipbuilding cuts

BY IYOR OWEN

industry faces a big cutback vent a reduction in jobs.

In the most forthright assessment which has so far come thing possible being done to from the Government on the encourage the development of industry's prospects, she stated: new industries, new small "There is surplus capacity in businesses and the expansion this country as well as in of existing industries. others and reducing that capacity will indeed be a very painful process."

Mrs. Thatcher stressed that

on trying to get "new tomorrow's jobs," with every-

There were protests from the Government benches when Mr. Frank Allaun, Labour Party chairman and MP for Salford there could be no escape from East, contended that if the the situation, and told Labour Government increased the cost

A STERN warning that MPs from shipbuilding areas: of living by raising VAT to 15 using their union positions for Britain's troubled shipbuilding "Nationalisation does not preper cent, and caused unemploy-political ends. public was given by the Prime A realistic approach was expenditure, both industrial an Minister in the Commons yesterneeded, placing the emphasis political issues were involved. expenditure, both industrial and Mr. Callaghan when she refused said, the trade unions were disposing of a further part of

> force, and "we on this side of BP.
> the House should back them." Tory MPs rallied to the sup-ort of the Prime Minister when in view of the critical nature of port of the Prime Minister when she reminded Mr. Allaun that at the general election many trade unionists had indicated their support for Conservative policies which would get morem oney back into the private sector where new jobs were created.

She nodded in approval when Mr. Peter Viggers (C. Gosport) estimated that about half a million trade unionists must Thatcher stated that it was not have voted Conservative, and the ownership of a company suggested that this should make which counted so much as the union leaders think twice before laws which controlled it.

Mrs. Thatcher clashed with to depart from the Govern-In these circumstances, he ment's declared intention of entitled to reply with all their the Government shareholding in

The Labour leader called for

the oil supply situation. The Prime Minister retorted:
"I understand that your
Government also sold BP

shares." When Mr. Callaghan pointed out that the Labour adminis-tration had been careful to

preserve a controlling interest for the Government. Mrs.

# **Prime Minister** passes

#### own exam

BY PHILIP RAWSTORNE

be published, Mrs. Margaret Thatcher told the Commons yesterday.

It must be recorded, then, that the Prime Minister comfortably passed her own wideranging political examination. Quizzed on more than a dozen detailed policy issues, she displayed such a remarkable grasp of her Government that she might well have carned the political mastermind title.

Not even eight questions from Mr. James Callaghan stumped her — though the Labour leader was not particularly happy about some of her answers. Mrs. Thatcher dealt equally

hriskly with another 28 assorted posers from the hackbenches. Energy policy was the Prime Minister's specialist

subject yesterday.

Mr. Dennis Thatcher. a former Burmah Oil executive. could scarcely have rivalled her knowledge of the opera-tions of the Rotterdam spot

Having explained it all once for the economists, Mrs. Thatcher set it out simply again for Mr. Dennis Skinner (Lab. Bolsover), confirming his fears that it was private

enterprise at work. But the Prime Minister's energy did not stop there. She had a word about current coal production; and showed she was familiar with fast breeder Mrs. Thatcher reaffirmed that

BP shares would be sold but reassured Mr. Tony Benn about the depletion of North Sea oil stocks.

She did not pass a single point—and took time to lec-ture the United States and Japan on conservation and Which brought the Com-

mous to the European budget

### Liberals resist inquiry

By Richard Evans, Lobby Editor LIBERAL LEADERS are resisting demands from Mr. Jack Hayward, the party's millionaire benefactor, for a full investigation into its financial accounts. A statement issued yester-

' Mr. Michael Steed Liberal president, following consultations with Mr. David Steel and other party leaders, reiterated that the donations of £20,000 to Mr. Jeremy Thorpe from Mr. Hayward, which featured prominently in the prosecution case against the former Liberal leader, never reached the party. Since 1976, the statement

stressed, the party treasurer had full access to all the party's central accounts and it was agreed that no other account should exist. "At no stage in our in-

quiries has any question been raised which necessitated our investigating accounts which were under the treasurer's

# 'Watchdog' select committees approved by large majority

industries committee was thrown out by a majority of

the education committee.

Another group of amend-

of the select committee for (177-82).

PROPOSALS to set up a new prominent committees, includ- scrutinise the Law Officer's system of "watchdog" select ing the nationalised industries departments was rejected by 99 committees to sorutinise the committee, which had been votes (188-87). In the changes activities of individual govern- operating successfully for many now accepted, these departactivities of individual government departments were ap years, proved by an overwhelming New majority in the Commons early yesterday.

By a majority of 236 MPs gave the go-ahead for the establishment of 12 committees to replace the present system where each committee deals with a particular subject.

The hope is that the new method will enable MPs to keep a much closer watch on the Executive and on Whitehall, and to have greater control over Government expenditure.

The final vote came after

long series of amendments in which MPs unsuccessfully attempted to alter the Government's proposals which were based on the recommendations the Commons Procedure Committee.
But an amendment seeking

to give them the power to order the attendance of Ministers was lost by 100 votes to 158. Some MPs were also worried about the disappearance of

**MPs still** 

#### oppose pay plan

MR. EDWARD DU CANN, leader of the Conservative Party's 1922 Committee of Backbenchers, will report back to his Executive tomorrow on a series of confidential meetings he has had over the last few days in an attempt to persuade the Government to change its mind and implement the Boyle Committee's recommendations on MPs'

Late on Monday, Mr. du Cann warned the Prime Minister that she would be going directly against the wishes of her own backbenchers if the Government pressed ahead with its plans to introduce the recommended increase over three stages

Since returning from Stras-bourg on Friday, Mrs. Thatcher has been informed from a number of quarters of the strong opposition to the Government's proposals, and Ministers are understood to have discussed the question yesterday. No further decision, how-ever, is likely to be taken until Mrs. Thatcher returns: from

#### New cash limits / announced

REVISED cash limits for public spending were announced yesterday in Parliament, in line with previously announced Government policy.

The limits, announced in a Parliamentary Written Answer by Mr. John Biffen, Chief Secretary to the Treasury, update those published in January in the previous Government's White Paper, "Cash Limits 1979-80."

The revisions take into account the specific cuts in public spending announced in the Budget and the general policy on cash limits and pay announced by the Chancellor in

by the constituency associations,

while associated organisations

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Consolidated results therefore show a loss of 242 million francs in 1978 as compared with a profit of 82 million in 1977. Total assets amounted to 7,486 million francs against 7,292 million francs in 1977. Revenue was 6,595 million francs in 1978 versus 6,569 million francs.

The salient features of IMETAL's non-consolidated accounts are as follows:

(francs in millions) 1977 Shareholders' equity 1.651 Operating cash flow Investment income 38.2 45.4 Net income

A net dividend of F. 3.80 per share (F. 5.70 gross) was declared, unchanged from the previous year. The total distribution will amount to 30.2 million

Regarding the outlook for the current year, the Chairman, M. Bernard de Villeméjane, announced that, at this time, 1979 appears more favourable and that IMETAL's non-consolidated results, based on dividends anticipated from subsidiary and affiliated companies, should be at least equal to last year. In addition, consolidated results are expected to be quite satisfactory.

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# Callaghan's authority to be tested

BY ELINOR GOODMAN, LOBBY STAFF

INDUSTRIAL PROBLEMS at get a warm reception from Mr. ment.

Transport House permitting.

Callaghan.

Relationary Wedgwood Benn menta Party's National Executive Committee could mark a major advance in the Left's long. drawn-out slogging match with the Parliamentary leadership to change the balance of power within the party.
As such, it could provide Mr.

Callaghan with an uncomfortable reminder of the kind of challenge to his authority which he is likely to face at this year's party conference.

On the agenda for discussion today are a number of the Left's most cherished goals. These have finally surfaced from the labyrinth of committees and sub-committees which service the main executive and provide it with a constant supply of ammunition with which to remind the leadership of its obligations to the rank and file. Exactly which proposals are discussed would depend on which papers were produced by the research staff before they

started taking action over their pay claim. But if everything goes according to plan, the 29-member committee will rule on whether the annual conference should be allowed to vote again on the vered question of the outomatic re-selection of silfing MPs, and even more consitive—the nunction of whether the leader of the garty chould pantinue to he elected by the parliamentary north clone, or whether the franchise chauld he extended to include other parts of the

Papone movement may try to taice two other aues-

is trying to get his committee's

proposals for a complete change in the rules covering drafting of the party manifesto dis-cussed, and there is also a move to get a debate on the suggestion that Transport House should control the sums pre-vided to Labour in Opposition. Insofar as all these proposals are aimed at limiting the authority of the parliamentary party and making it more res-

Relations between the parliamentary leadership and the Executive have rarely been free so much on Transport House over the last five years, the Now Mr. Callaghan's team is being reminded almost daily of just how wide the gap is be-

The Labour Party's national executive will rule today on whether the annual conference can vote on election of the party leader by the PLP alone

problem from

moderates' viewpoint is that the conference represents the views

voters. And because of the way

in which Executive members are elected, the balance of opinion

several degrees to the left of

By far the most votes at con-

ference are wielded by the

unions, who have 12 seats of

with a big say in who fills the

five places in the women's sec-

tion, and it is the Left which

dominates both of these groups.

the parliamentary party.

ponsible to the rank and file. they would all seem to fit logically into the same discussion. It is elected each year by con-But it is not a logic which ference, and is charged with the r. Callaghan, or other job of ensuring that the decimoderates in the parliamentary sions of conference are not party, are likely to accept. ignored for the rest of the year.

To them, it represents part of a wider challenge by the Left which, if successful today, could provide a momentum for change which might be difficult to stop at the party's confer-

The only trouble is that while Mr. Callaghan was able to head off such challenges with relative ease while Labour was in Government, the Executive wields more influence over the party in Opposition-as the source of essential support services.

It is also more difficult for Left-wingers on the executive the front bench to take refuge behind the cloak of pragmatism tions which are hardly likely to in Opposition than in Govern-

elect another two places. The Parliamentary Labour Party has only two direct representatives

—Mr. Callaghan and Mr. Michael of friction, but just because Mr. Callaghan has not had to rely Foot, his deputy. The Left has made a virtually question of how to improve this clean sweep of the constituency relationship has tended to get brushed under the carpet. section, while it has held on to most of the seats in the women's

group, in spite of efforts by the Right to get their candidates Moderates have been arguing tween their own views and those for years that the balance of opinion on the Executives must of the Executive. be changed so that it more

accurately reflects the views of the Labour movement. As things are organised now, the unious hold the key to any change in the NEC's member ship. Right-wingers talk opti-The Executive sees itself as mistically about the change in the conscience of the movement. the union leadership making it easier for them to get their candidates returned. But

foiled by inter-union rivalry. Moreover, some moderates find it difficult to reconcile their belief that the unions currently wield too much power with the of committed Labour activists short-term goal of trying to per-rather than ordinary Labour suade individual unions to back their candidates.

This year, the Right will again be hoping to unseat two on the Executive tends to be Left-wingers in the women's section. But in the past, with the moderates preoccupied by the problems of government, it has been the Left which has come out on top in the plots and their own on the NEC, together counter-plots surrounding each annual conference.

Now, however, Mr. Callaghan may come under pressure from his own supporters in the party Another half-dozen members to tackle this problem before -all Left-wingers-are elected stepping down as party leader.

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traditional construction. Buy or hire. Ring Fay Morrilly on Milton Keynes (0908) 74971 or



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#### BY JOHN BARRETT

# Rail union rejects talks with Tories

BY PHILIP BASSETT, LABOUR STAFF

TAIN'S largest railway unions' power and ability to social policy with the nation's affairs."

1 sharp contrast to the lowit's economic policy now trade union leaders in the ... Mr. Sid Weighell, general etary of the National Union Railwaymen, said he did not nd even to talk to the

r. Weighell, one of Labour's inchest and most hardking trade union supporters the election campaign, told annual conference of the 000-strong union at Paign-

Devon, that the Conserves and the unions did not 1 talk the same language. said: "I have no faith in ability of a Conservative ternment to work with us in shape or form."

preanised workers was now strong, though, that it was cult to govern the country tout reaching some sort of erstanding with the trade

**NALGO** 

pay offer

rejected by otiators.

:onfrontation.

opposes 9%

'AY rise of nine per cent

Officers' Association

he union's claim is for a 15

cent rise. The pine per t offer was made informally

a joint working party on iday and will be made nally on July 6.

he 9 per cent increase on

pay bill as at April

'kers' settlement and the con-dation of a Stage One

plement payment of £312 a he employers' side rejected

laim for service improve-

its but agreed to a compara-ty study similar to that being ried out for other council

IALGO has urged its mbers to complain about the

er to individual local authori-

e instructed the union to w up plans for industrial on if there were difficulties

to sink three new deep es in the Vale of Belvoir in

cestershire, claimed a col-

Kenneth Sampey, presi-

of the Yorkshire area of lational Association of Col-

Overmen Deputies and

othrers, told his union's pual conference at Llandudno

he had been told by "a t-bench Labour man" that new Government could de-

le to kill the £500m project. Mr. Arthur Simpson NACODS

airy imminent.

ry officials' union leader yes-

Jnion doubts

pay negotiations.

on Belvoir

coal plan

A recent delegate confer-

on made it clear yesterday cause disruption was a bad t it would refuse to take thing. "It is right that we t in discussions on economic should have influence in the He attacked the misuse of

trade union power last winter, ment. approach to the Govern-though, and placed the blame i's economic policy now for Labour's losing the election ig adopted by the majority squarely on the industrial trade union leaders in the trouble in the earlier months of

this year.
"Do we have to judge the strength of a worker's cause by the number of dead he leaves unburied or the number of hospitals closed or the number of commuters stranded?"
The TUC view that there

should be a return to free collective bargaining, qualified only by the word "responsible." had led to different unions claiming that "responsible" bargaining meant 20 or 30 per cent settlements for some with the low-paid suffering

consequence. The image presented to the electorate as a result was of a bagful of cats" scrambling to get higher increases than each other.

Unions should reject the out-dated philosophy of free collective bargaining, with the strong m movement. going to the top and the weak e did not think that the going to the wall.

Delegates voted by 48 to 29 for his argument that the political and industrial wings of the Labour movement should now work together for the eventual return of a Labour Govern-

Mr. Weighell warned, though, that the country was in for a "rough winter" again this year. Trade unions would be compelled to defend their living standards.

Labour's policies of bringing down inflation and giving some tax concessions had meant that the 1978 railway pay settlement of about 11 per cent had held its value.

The value of this year's agreement, though, which gave increases of 12-13 per cent, would evaporated long before the end of the year."

The union is likely to approve tomorrow a claim for rises of more than 30 per cent.

The union is pressing for a meeting with Mr. David Howell. Energy Secretary, to argue that priority of oil supplies ought to be given to British Rail and

other forms of public transport. Mr. Weighell has rejected a meeting with Mr. Hamich Gray, Energy Minister, because of the union's view of the seriousness of the energy shortage.

# Peugeot plans alarm Chrysler unions

BY NICK GARNETT, LABOUR STAFF

PLANS BY Peugeot to open five red by local authority doyers to 500,000 white component plants in France have deepened suspicions ar staff is almost certain to among British trade union officials about the company's intentions toward its Chrysler UK r. Mick Blick, chairman of factories.

National and Local Govern-An emergency motion calling on the executive council of the itiators, said yesterday that Federation of Shipbuilding and Engineering Unions to seek ss the offer was improved stantially there was bound to a meeting with senior Peugeot-Citroen management and with This union cannot agree to British Ministers to discuss the ttlement that does not even issue will be put to the conpensate its members of the federation's annual conference eases in the cost of living te last year," he said.

Officials of CFDT, the French trade union federation, told British union officials early this month that Peugeot intended opening gearbox, engine, diecasting and other mechanical

parts plants in five places. French union officials also told meeting, held under the auspices trated in France to the detri-of the International Metalwor-ment of British manufacturing kers' Federation, of a Peugeot and employment.

agreement with the East German Government to build a transmission plant at Zwickan-Mosel.

The motion, from the Metal Mechanics' Society, supported by the Association of Scientific, Technical and Managerial Staffs says Peugeot did not consult British trade unions nor, probably, the Government in devising these arrangements.

It says they confirm the fear of British workers that there may be a run down of Chrysler UK especially in engine and gearbox production. Union officials said yesterday

that they appreciated the French Government's need to protect employment through cash assistance to Peugeot in highunemployment areas.

The prospect, however, was standardisation of components French union officials also told throughout Peugeot-Chrysler, their British counterparts at the with manufacturing concen-

### Civil servants break off pay dispute negotiations

BY GARETH GRIFFITHS, LABOUR STAFF

THE Institution of Professional Civil Servants has broken off industrial action next week informal talks with the Civil concentrating on the Ministry Service Department over its pay of Defence. Maintenance work dispute and asked for a meeting with Mr. Paul Channon, Minister of State.

Mr. Bill McCall, general secretary, yesterday attacked the Department's handling of the dispute. He said the "without prejudice" discussions had the appearance of an exercise in E GOVERNMENT may be ming to withdraw support the National Coal Board

Reports of the discussions since June 15 from the Department were "designed to mislead the public, Press and union

Mr. McCall now wants a meet-ing with Mr. Channon to discuss the grounds for a settlement. The union wants such a settle-ment to take account of each

grade's circumstances. On scientists' pay, the insti-tution has told Mr. Channon that it was prepared to agree that the 1979 pay review would have no effect on other claims. and to confirm the acceptance by both sides of the Pay Research Unit Board's recom-

neral secretary, said no vernment could give a cate-prical assurance on Vale of mendations for 1980. Mr. McCall said the instituelvoir plans with a public intion was not prepared to go to \* Mrs. Thatcher's Government arbitration. He accused the lighter of the Plan for support for the Plan for oal, which set out industry jectives less than a week ago. \* Mrs. Thatcher's Government

There are plans to step up on the Polaris base at Faslane will be hit, and Mr. Bill Wright, the institute's assistant general secretary, said generally action would be carried out on a "guerrilla" basis.

Continuing action by civil servants has hit the production of bullet and shell cases and explosives at Royal Ordnance factories at Bishopton, Chorley and at Radway Green. The refitting of nuclear submarines at Devonport and Rossyth has also been affected.

#### Consultancy in merger

FInANCE for Industry has merged its management consultancy subsidiary, ICFC-NUMAS with ICFC Training to form a new company, ICFC Training and Management Con-

sultants.
ICFC - NUMAS undertakes management consultancy assignments in private sector business. and provides help for the smaller company. ICFC Train-ing operates apprentice and group training schemes par-ticularly for small engineering

# Steel erectors' risk myth 'harms safety standards'

BY ALAN PIKE LABOUR CORRESPONDENT

lisregards the risks of his job as been detrimental to safety safety Executive said in a reiport published yesterday.

should be able to look after themselves in dangerous situations had so pervaded the a result of falls.

attitude of workers and In addition to fatalities,
management that it had radithere is a high level of other
cally affected the way trade accidents. "Steel erectors are tions had so pervaded the cally affected the way trade accidents. required to

tion to a cardinal principle of ations and, by accepting such work. "Too often this is safety—that reliance should risks, may reduce the motivanot be placed on the skill of a worker to protect himself tangible safety precautions." a desirable standard."

to remove or prevent the risk." The report describes the standards, the Health and death and injury rate for steel deat construction industry—on average one in every 800 steel erectors is killed each year as

required to perform many tasks In contrast, we draw atten- in unnecessarily dangerous situ-

THE POPULAR mythology of from injury, but that all The report expresses "some the steel erector as a man who practical steps should be taken disquiet" about incentive and practical steps should be taken disquiet about incentive and practical steps should be taken disquiet about incentive and bonus schemes erectors. It says that by emphasising increased output, short cuts might be introduced at the cost of safety. "So long as bonus schemes continue, proper provision must be made in them for the full performance

of safe working procedures."

A high standard of site supervision by qualified engineers and safety officers is called for. The report also draws attention to the difficulties created by legal interpretations of what constitutes a safe system of work. "Too often this is equated to current trade prac-

#### WIMBLEDON

**New offer** 

to Ebbw

tinplate

Vale

staff

staff reductions.

end of March.

Revised

BY ROBIN REEVES

THE BRITISH Steel Corpora-

tion has increased its sever-

ance pay offer to trade unions

at Ebbw Vale in a bid for

early agreement on further

An initial offer of 18.3

weeks' money on top of normal redundancy payments

has now been increased to 22 weeks by the addition of three

weeks' holiday pay, providing unions accept the phasing out of a further 500 jobs at the

works between now and the

The cost of the revised

offer, aimed at reducing man-

ning at the corporation's Ebbw Vale tinplate complex to internationally competitive

internationally competitive levels, is over £1m. For the average worker it will mean a

redundancy payment of some

Management and union

representatives are due to meet later this week in a hid

for final agreement on the

terms. Unless a deal is

clinched shortly, the offer could be scaled down.

Some 160 other jobs are due

to disappear by the end of March under last year's major

negotiation to end steelmaking

at Ebbw Vale with the loss of

some 2,000 jobs. This, with the

planned 500 further redun-

dancies, will bring the work-force down to 3,840.

In 1975, the works was employing nearly 9,000.

# No. 12 seed Sue Barker toppled

esterday produced more drama August 1975. than it has done for years as the Miss Navratilova clearly serve for the first time," said defending champion Martina found difficulty concentrating Miss Navratilova. "After that Navratilova, watched by her on the job, and was broken to I knew I would be OK." mother who had made a secret love in her opening service journey from her home in Czechoslovakia, struggled on Centre Court to beat the young South African Tanya Harford 4-6 6-2 6-1.

The Ali-England Club had sent a personal telegram to the Czech Prime Minister Lubomir Strougal, who, according to Martina, "is a tennis fan and likes me" and Mrs. Navratilova was granted a two-week visa to watch her daughter compete at Wimbledon.

wards that she found it both a distraction and an inspiration to have her mother in the audience. was just in a daze " she said, I wasn't ready for the Centre Court but once I got going 1 vas all right."

was an right.

Her mother's presence was a who was volleying courageously well-kept secret. She arrived on and was not afraid to drop-shot Monday evening and was met by Miss Navratilova at London airport. "Last year when I won
wimbledon was the greatest
moment of my career but that
when I won
of Miss Harford's game as the
women's champion applied that
familiar powerful pressure. She

the line and a second when the South African girl put a backhand out under pressure. When she again had the chance for the first set at 5-1 Miss Har-Martina told the Press afterford missed a third set point

**Churches Fund** 

helps to save

136 buildings

end of last year. Three more

have been vested since then,

says the fund's 10th annual re-

During the year, the fund re-

port and accounts,

was the greatest moment of my swept through the next four life," said the girl who had not games for the loss of only five seen her mother since she de-

don even though she was a semi-

finalist in the recent tournament

at Chichester where she heat

The champion saved one set

serving for the set at 5-2.

32 minutes.

#### Pym in France for brief talks

MR. FRANCIS PYM. Defence Secretary, makes a flying visit to Paris today for talks with FIFTEEN CHURCHES came to M. Yvon Bourges, French Minithe Redundant Churches Fund ster of Defence. It is the first for care and preservation durmeeting between the two, who ing 1978 bringing the number will discuss "matter of mutual of churches or parts of churches held by the fund to 136 by the

#### GLC stocks up with winter salt

ceived £418,500 from Church THE GREATER London Council and State and spent £356,331 stockpile of salt for the city's roads by 15,000 tons. A rise in on repairs and maintenance of churches. The maximum sum of £2.9m-about £580,000 per salt prices means the new stock annum—to be provided equally by Church and State will be available to the fund over the of 40,000 tons will cost an extra £640,000. Last winter the council's stock was almost ex-

Twice more Miss Harlord's game. Another break against the champion left Miss Harford, who had to qualify for Wimbleservice was broken in the third set and she rapidly found herself 5-0 down. When she fin-ally managed to hold serve for the first time in five attempts the blonde South African clenched her fist in triumph, but Virginia Wade and Pam Shriver, the end was not long delayed and a brave appearance on Centre Court terminated in point with a fine forehand down defeat after one hour minutes.

There was a dire snock for Britain on No. 2 court where Sue Barker, the No. 12 seed and second-ranked home player, before finally clinching it after went out to the 18-year-old Argentine Ivanna Madruga 6-3 The second set went with 4-6 S-6 in a match littered with serve for four games as Miss Navratilova buckled down to errors. There were 16 breaks of service in the 33 games and her task against an opponent Miss Barker perpetrated 13 double-faults as she struggled to control her wayward form. From that moment however

Miss Barker began promisingly, by capturing her opponent's serve to love, but she promptly lost her own delivery.

Though her renowned forehand won her many points the other departments of her game were not functioning at all well. Her volleying was frequently little short of embarrassing and time, and again her attempts to test her opponent's reactions and speed of foot with drop shots were dismal failures.

After conceding the first set the Devon girl managed to pull her game together enough to capture the second set and move into a 3-1 lead in the decider, international game. Then the mistakes began to

creep in again, and the Argentine girl was wisely content to let Miss Barker defeat herself. She soon found herself 5-3 down and though she battled back and lost the match on an easy of the U.S., 6.0 6.3. wildly out of court.

Miss Madruga, who took sets Italian and French champion- 7-5 and ships recently and who models fourth famous compatriot 7-5.

MARTINA NAVRATILOVA opened her women's singles title defence watched by her mother, who flew in secretly from Prague

Guillermo Vilas said it was the best win of her career.
"Before the match I nervous, not because I had to play Sue Barker but because I had to play on grass." She has given herself the target of getting in the top ten of women's tennis within the next. two years or giving up the

There were easy victories for the second and third women's seeds Chris Evert-Lloyd and Evonne Cawley, Mrs. Lloyd defeated fellow American Marita Redondo 6-4 6-2, and bravely to lead 6-5 she col- Mrs. Cawley dismissed the challapsed again just as abruptly, lenge of Marcie Louie, also

Glynis Coles, the fifth ranked British player, pulled off a fine victory by defeating the South off Chriss Evert-Lloyd in the African Marise Kruger 5-7 6-1 7-5 and Anne Hobbs, ranked her top-spin game on that of Lesley Charles of Worcester 6-2

# The new technology.

# Burroughs "900" Series computers give you higher performance and lower cost through advanced technology.

Burroughs B 2930 (shown below) and B 2950 computers introduce entirely new levels of priceperformance and flexibility. For the first-time computer user. And for experienced computer users with requirements for interactive processing. distributed processing and heavy-duty central processing work loads.

These new systems provide up to five times the throughput performance of our entry-level B 2800 in our "800" Series. Their main memory can be expanded to five times the maximum previous capacity. Yet they occupy half as much space. And they use 50 percent less power.

This increased performance and economy comes from the use of Burroughs entirely new "micro-modular concurrent" architecture, and advanced high-density logic and memory

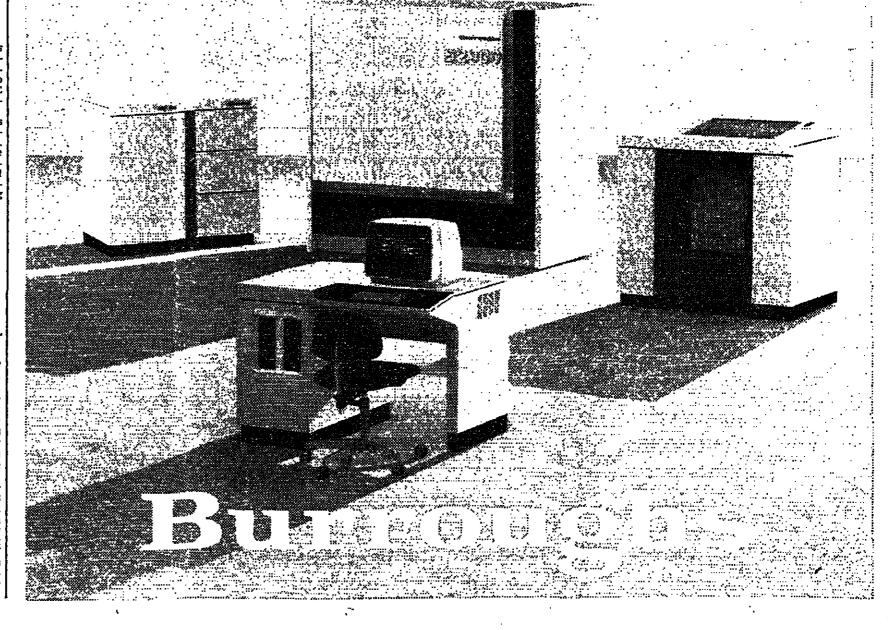
This architecture is made up of independent elements that process data simultaneously. For optimum efficiency and a consistently high rate of throughput.

The B 2930 and B 3950 can have up to four central processors. And they are completely softwarecompatible with earlier Burroughs intermediate systems. No rewriting or recompiling of existing application programs is required.

And remember, when you buy any Burroughs system you get the bonus of dealing with a total capability company with 90 years experience. And the security of knowing the whole Burroughs organisation is behind you.

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training, system maintenance — even the business forms and supplies you need.
Find out more. Phone your local Burroughs office or contact Burroughs Machines Limited, Department PRA, Heathrow House. Bath Road, Hounslow, Middlesex, England TW 5 9QL.



#### PLASTICS

#### Posts made from waste

ing the ingenuity of women's are at room temperature. page writers, ecologists, and plastics machinery builders.

a recycling process where any self-lubricating and be mixed with a small proporinto small shreds, fed into an chemically, Torion is extruder, and emerge as a resistant to attack by aromatic round or square post of any and aliphatic hydrocarbons, dignerates. shore reinforcement, frontage panelling, etc.

Down on the farm, the posts can be used for fencing (no insulators are required for electory expensive material. But for trified barriers since the posts really arduous applications it is themselves act as insulators), and they do not rot, have no knots or splinters, are resistant to acids, salts, strong winds, water and frost. They are impervious to attack by pileworm or insects, too, and are said to have a virtually unlimited life Stops waste

Posts presently available are dark to black in colour, weigh between 700 and 800 kg a cubic metre and, like wood, can be nailed, drilled, sawn and planed. Patent application has been filed for the process informs Linkhorst Touwfabrieken B.V., Pastbus 203, 8600 AE Sneek (Netherlands).

#### **Strong and** heat-proof

POLYPENCO has been appointed sole distributor of moisture, the Amoco range of Torlon resins in the United Kingdom. They include injection mouldmg and extrusion grades of ; imide) exhibiting such excepphysical and chemical properties that it has been "good-as-steel plastic."

It can withstand temperatures margarine tubs, disposable cups, up to 260deg.C. and in fact is plastic film, etc., has been tax- as strong at 260deg.C. as nylons

Materials in the family are not only exceptionally strong From the Netherlands comes and stiff; some types are also wearold plastic, clean or dirty, can resistant. The wear grades will take unusually high bearing tion of waste paper, chopped loads of up to 40,000 psi/ft.min.

diameter—or length up to chlorinated and fluorinated 490 cm—for use as fencing, hydrocarbons, and most hydrocarbons, and most inorganic salt and acid solu-

> Polypenco says that Torlon is not easy to process and is an expensive material. But for worth evaluating Polypenco, POB 56, Welwyn Farden City, Herts. Welwyn Garden City, Herts. Garden City 21221.

# of materials

A COMBINATION of vacuum technique and accurate measurement of the plastics "shot" in moulding equipment at Stadium is cutting down on expensive waste of thermosetting moulding materials.

The company is continuing to use the runner and sprue method in producing for example, components for the electronic and electrical industries but is now ensuring that fewer short mouldings are produced by means of a system which extracts gases and moisture, resulting in an immediate and total fill of the

mould In addition a pressure transducer is used to immediately Torlon which is a poly (amide- detect when the mould is full, cutting off the movement of the auger screw.

Stadium is at Queensway, Enfield, Middx. EN3 4SD (01-804 4343).

never meet.

make ideria's

world go round.

#### RESEARCH

# Tiny movements controlled

DEVELOPMENTS in micro- driven by a stepping motor with also true of hydraulic systems. miniaturisation mean that, which linear displacements of A. Franken and M. Dona, of among other things, it is necessory to have increasingly more reproducibly. refined precision tools available ever smaller details.

In this respect, for example, used for this, however, devia-it has proved possible to flors may occur because of and milling machines down to the submicron region. Members of the Philips Research Laboratories in Eindhoven, the Nether-mechanism cannot be used lands, have now succeeded in wherever extreme cleanliness designing a transmission system must be observed. The same is

0.04 micron can be achieved

It is possible to perform small for the processing of materials. displacements by means of an Scientific research is also aimed electric motor equipped with at the processing and control of an appropriate transmission mechanism. improve the accuracy of lathes backlash or looseness of the gears. Furthermore, current designs often require lubrication of the gears, so that this

# Powder moulding study

panies willing to invest \$15,000 a year for two years in a group study into the production of complex metal powder shapes by injection moulding.

Of interest to companies in powder metallurgy into new the motor vehicle, agricultural, market areas. domestic appliance, hardware and machine tool industries, the K. E. Meiners, Battelle Columstudy should produce funda- bus Laboratories, 505 King metal data that will allow the Avenue, forming of complex powder 43201,

the next logical step is injection moulding so as to extend

Columbus,

ties is looking for eight com- be made by the conventional Battelle believes that pressing and sintering has reached "an impasse," believing that

Further information from

#### placements of 0.04 micron, step by step, without backlash, and therefore reversibly. worm gear transmission which gives a hundred-fold reduction of the steps. This is followed in two steps, by a 60-fold reduction by hard steel shafts which,

A. Franken and M. Dona, of

designed a transmission system

equipped with friction wheels

and driven by a stepping motor.

The amount of friction is

without lubrication, drive hard steel friction wheels. Small irregularities in the worm gear transmissions are thus reduced, so that their effect on the ultimate result becomes negligible. The final rotation is converted into a linear displacement by friction between the rotating shaft and a sliding shaft arranged perpendicularly to it. Leaf springs ensure the desired

mobility of the shaft bearings. The reduction mechanism has been designed for use within the

#### TEXTILES

# Shrinks yarns to bulk fabric

stantly seeking new ideas, new textures and new products, as 140 deg. C. Over recent years a great deal of development has been directed towards heat-treating yarns before either weaving or knitting.

In some instances heat is applied to a completely relaxed varn that then shrinks and gains appreciably in bulk. This a treatment of special interest with the so-called acrylic "hibulk" yarns mainly used by knitters. A similar type

Meet some people you'll probably

he people you'll never meet are

They spend their time researching

They are professionals, mecha-

These Iberia people don't wear

This is Iberia today. But we want

and planning new routes; coordinating our

company's actions and performing commercial operations; making sure our timetables are the most adequate and that our routes are the most

efficient; choosing the most pleasant menus to

offer, attracting more travellers, earning new

nics, technicians, computer programmers, cooks, secretaries, executives and specialists of every

uniforms. You may never meet them face to face.

And, if you did, you probably wouldn't know it.

But they are just as important to the comfort and efficiency of your flight as the

Iberia people you do meet. They are the great

unknowns. The people who make the world of

Iberia go round.

to be better.

simpathies, and a thousand other things.

our colleagues at Iberia offices.

sures of fashion the textile ment at 100 deg. C is sufficient, the same group's automatic industries of the world are con-while with others it may be winder. Where this differs from necessary to process at as much

Various machines have been suggested for the process. Now, been developed in Italy, Complete versatility in processing, reduced production costs and minimal floorspace are among the claims.

Called the RRS continuous shrinking and bulking machine, it is built by the Italian company Savio SpA (British agent GTM Sales, Oaklands House, of treatment is used on other Hyde, Cheshire, Telephone Outyarns to stabilise them, remove 366 9167). It incorporates as a twist liveliness" and so on, major element the winding machine.

other machines is that the front to back measurement of the frames is less than half that in

other processes. Yarn is taken from a large package at the front of the machine and fed into a venturitype tube through which it is sucked and fed to the rear of the machine. It is then taken automatically and wrapped around four advancing con-tinuous belts which are arranged in a square configuration, but which gradually diminish in the distance between them as they move towards

#### COMMUNICATIONS

#### Unilever switched on

JUST BROUGHT into action at one or two radio channels each Unilever House on the Thames of which can operate in either Embankment is a £11m 2,000 two tone or digital calling Phillips Laboratories, have now extension electronic telephone format with up to 1000 and up exchange made by Philips and installed by Pye Business Communications.

The PABX, an EBX 8000, adjusted by means of helical makes use of reed switch ele-springs. This design makes it ments with stored program conmakes use of reed switch elepossible to perform linear dis- trol and is the fourth change of exchange at Unilever House since it was built in 1932.

Almost luxurious communica-The stepping motor drives a tions standards will result for the 1,700 users including direct dialling in to the building-each user will have his own Post Office telephone number.

A user leaving his office can key a code which will cause any incoming calls while he is away to be put through to any other extension he designates. Abbreviated dialling for frequently used numbers is available, and if a called internal number is found to be constantly engaged the system can be made to call the user back as soon as the re-

#### **Improved** pager

CLAIM MADE by Multitone for an enhanced version of its Access 1800 paging system is that it is now the "most versa-tile available for on-site and wide area paging."

to 10,000 pagers respectively.

It is also possible for more than one system user to be accommodated, manual control units being connected to the main terminal unit as required. this unit also accepting the inputs from the telephone exchange and, if required, remote contact closures (from alarm systems, for example). Outputs from the terminal go

mitters. Thus a typical application would be in a multi-tenanted office block.

to the two paging radio trans-

Other facilities added include absence registration" in which attempts to contact a pager not allocated or absent will result in a distinctive tone in the caller's telephone.

In addition, a call-logging facility has been introduced as an aid to system management. An optional data port offers a standard serial data output listing the time of each call, the pager number and the message digits. If required the source of the call and the alert tone used can also be signalled. This port can be connected to standard computer peripherals such as teletypewriters, visual display units, printers or tape punches. More from Multitone Electric.

vide area paging." 6 Underwood Street, London The system can transceive on N1 7JT (01 253 7611).

in touch with Teletracer pocket paging 🔯

#### Olympic iob to Storno

Cass Electronics Limited Phone Egham 6266 for information

STORNO has won a contract valued at approximately £1m to supply a complete radio communications system for the administrative and organisational functions for the 22nd Olympic Games to be held in Moscow during 1980.

Some of the Storne base stations, mobile and portable radios and associated equipment, will be installed and operated at athletic events in the Moscow Spartakiaden this coming summer. Thus the Olympic organising committee will have time to familiarise itself on operational require-

Storno headquarters are in Copenhagen and it has manufacturing facilities in Camberley (Surrey), Denmark, Germany and Sweden and sales and service organisations in 80 centres organisations in 30 centres throughout the world. Storno, Frimley Road, Camberley, Surrey GU16 5ES. Camberley (0276) 29131.

### Bid to beat the super-minis

OFFERING sharp competition enable organisations who have with the newer super-minis of little software support to set to 32-bit word length is an and design and install an onenhancement to the Hewlett line, real-time information Packard 1000-F series machines capture and handling system which takes the form of a vector instruction set.

The result is that an HP the user to do little or nothing machine thus equipped can per- in the way of fresh programform a matrix inversion with 400 by 400 terms in 690 seconds system. Such a network would use an against 11,000 required by non-vector machines. Its abilities HP 1000 machine with the latest compare with those of many of parable 32-bit equipment.

development is the work the by non-professionals. rompany has been doing to

operating system, working to the larger general purpose com-selected terminals from a series puters at a cost possibly ten of three recently brought out times less and half that of com- for the data capture market, applicable in factories, ware-Of equal importance to this houses and the like and for use

ming to provide an appropriate

When the information derived

required, inter alia, to feed a data base, Image/1000 software can be used to manage updating, validation and retrieval of facts in the base.... The company indicated this themselves. The key to this lies in Datacap/1000 which requires

week that many more new ideas were in the pipeline to fuel the company's continued steady pro-gress towards the goal of crossing the \$1bn threshold in its computer earnings. This cannot be too far away since in the six months to May 1, new orders totalled \$1.2bn of which about 45 per cent represented computing systems.

Hewlett Packard, King Street ane, Winnersh RG11 Wokingham 784774.

### MATERIALS Metal bonds No need to insert card

suitable for bonding natural rubber, styrene butadiene rubber and chloroprene rubber products for which two-coat bonding systems have tradition-

ally been used. This adhesive can also serve as an effective post-vulcanising system and can be used successfully to bond rubbers to certain fibres such as cellulose (rayon) or polyester.

Because it is a one-coat system with wide applications, its use can result in considerable cost savings. Time, labour and material losses are cut.

Compounding Ingredients, Byrom House, Quay Street, Man-chester M3 HS. 061-834 8492.

#### PROCESSES High polish on engine components

POLISHING of gear components for some Rover and Triumph cars has been dramatically speeded up and quality standards improved by a Canning
"Harperizer" machine.
This orbital radiusing and sur-

face finishing machine was built and supplied by W. Can-ning Engineering Ltd. of Birmingham to the Rover Triumph Engine and Transmission plant, After little over six months'

operation of the machine on gear selector spools at Cardiff, Rover Triumph says a standard of uniformity is impossible with hand polishing is the rule, while the machine is at least eight times faster than the old method and far more efficient in terms of manpower.

Other components are under study for the process.

#### COMPONENTS Circular

#### saws

TUNGSTEN CARBIDE-tipped saws, suitable for industrial panel cutting machines, are being marketed in the UK by C. D. Monninger, Overbury Road, London, N15 (01-800 5435), on behalf of the W. German maker, Leitz.

The saws are in a range of first, for general reading, deals diameters from 300mm to 500mm, with a maximum cutting height of 150mm, They are canable of making arises the maximum parts. The first, for general reading, deals with the physiological requirements for protection and the ways in which it can be achieved. capable of making parting and sizing cuts in chipboard, particle board, and hardboard

one type, 1797, has alternate top-hevel tooth construction, while the 1858 has trapezoidal square tooth geometry intended for cutting panels with plastic coatings or laminates on both

# • SECURITY

authorised users. Up to 32 of these wall sensors

are controlled by a central computer over coaxial lines that can be up to 1,000 ft long. Some 8,000 employees can be accom-modated and in addition the system can monitor 32 alarm contact switches.

As soon as the user presents his card its key-code is read by the sensor and sent to the com-If the holder is authorised to use that par-ticular door the lock will be released and the date, time of access, sensor location and key tion. For example, a "keycode code will be printed on the central terminal. The sensors so that wherever a particular can be used to control doors, card is presented, the locations

advantages claimed for the system. For

LATEST electronic access grample, there is no key pad system from Schlage in the U.S. to be operated near to the door makes use of employee cards sa that users cannot be overcalled "command keys," that do looked, and there is nothing to not have to be inserted in vandalise. There is also no reader slots but are held within, requirement to insert eards about four liches of acconceated into slots: in fact there is no wall sensor the location of visible sign of security equipments and there is no wall sensor the location of visible sign of security equipments and unbelocated under the ment at all, which is better for employees and unbelocated to

The system is monitored and commanded from CRT terminals and keyboards. In the "moniand keyboards. In the "monitor," mode all the data is presented on the setteen in an
easily understood real time display that is updated every
second. In the "command"
mode authorised users can be
added or deleted with a few
keystrokes.

But the equipment, called System 732, is capable of considerable additional sophistica-

car park gates and lifts, and can be used for the "clocking in" function as well.

Several administration to the use of the screen.

Several administration to the use of the screen.

More from the UK aganta. are 12 Cadogan Place, London SW1

### Badge sends a signal

AN IDENTITY badge de be sent to a computer to perveloped at Sandia Laboratories form a number of tasks ranging in the U.S. is able to emit an from simply checking that the identifying radio signal when particular badge is allowed the wearer walks through a through the portal or, by calling portal similar to the kind used up a stored image of the badge's at airports to detect metal

obiects. Measuring only 21 x 24 x 4 in and weighing 1 oz, the badge has no batteries but derives its energy at the time of operation from a 112 kHz field set up by right category of personnel had the portal. Circuits in the badge entered an area, or in the event use the energy to create a new signal at 56 kHz which is modulated with a code that identifies the wearer.

The badge-emitted signal can

SERVICES

On safety

SW1 3AU (01-930 7447),

underwater

up a stored image of the badge's owner, allowing a guard to check that the wearer is the authorised holder. It would also be possible to ensure that only the right number of the entered an area, or in the event of an emergency the system could immediately reveal who is present in danger areas.

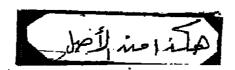
More from Box 5800, Albuquerque, New Mexico, 87185, U.S.

#### GUIDANCE on protection against shock in relation to the design and use of underwater electrical equipment is provided in report UR14 just published by the Construction Industry Research and Information Association (CITA). Compiled by CIRLA's underwater engineering group, the report has two main parts. The including consideration of the design of protection systems. The second part goes more deeply into the technology and will be of particular use to electrical engineers working in this field.

More from CIRLA Underwater Engineering Group, Publications Dept., 8 Storey's Gate, London

MORE THAN 50 YEARS MAKING FRIENDS.

الملذامند للص



# FINANCIAL TIMES SURVEY

Wednesday June 27 1979

# Milton Keynes

Today's visit by the Queen to the new city's Civic Offices and enormous £36m shopping centre marks the coming of age of Milton Keynes. When the shops open for business in August they will provide the focus the community has lacked — and add to the achievements of a far-sighted project in which concern for the quality of life matches the success in attracting industry.

# 'lanners' ream omes up. ue

#### Arthur Smith, dlands Correspondent

TON KEYNES, for so long humorous target of cynics sceptics, looks set to have last laugh. The planners of creating a city of mother of Buckinghamshire is on the way to reality.

The shopping area, which will a revise the first link in a revise the first link in a revise to the first laugh. The planners is one of the largest in Europe—with no problem from the first laugh.

ontroversy has never been provide the final link in a away: some of the housing crescent of development from barrack-like; a herd of Bletchley to Wolverton, has rete cows donated as a gift given important credibility to the city's first artistesidence grazes in a field 3radville; work has already ted on "the first peace da to be built outside the East" to accommodate a mese Buddhist sect.
It today's visit by the Queen
open officially the borough

the more fanciful of the new city's ideas: the £36m scheme to erect a half-mile long build-ing housing more than 1m square feet of shops.

Work started on the scheme five years ago. The site chosen was remote then from the established population centres of Bletchley, in the south of the new city's designated area, and Wolverton in the north. But since then new highways have cut through the countryside, the housing programme has accelerated and thousands of housing

Indeed, in a world where new towns are noted for their tendency to lay claim to the biggest and best, Milton Keynes maintains that, with housing going up at the rate of 2,000 homes

new jobs have been created.

crescent of development from Bletchley to Wolverton, has the new city targets. The Post Office Superannuation Fund allocated £24m to the project back in 1974, but until perhaps 18 months ago there was a distinct unease among retailers about giving full commitment.

Now the development cor-poration can claim total support icil's Civic Offices and to from the private sector, pointing what the Development out that only Marks, and poration claims is one of Spencer, for which a unit of ope's largest covered shop- 70,000 sq ft has been reserved. areas puts the royal has still to make a final decision on a project once regarded. More than 100 of the 130 nany critics as bordering on shop units will be operational

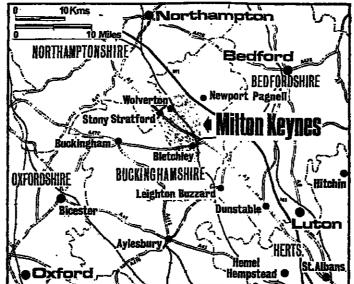
when the centre opens for business on August 9. Among those represented will be the John Lewis Partnership, C and A, Boots, British Home Stores, Woolworths, Halfords, W. H.

Smith and Waitrose. But the confidence of the development corporation based upon more than the shopping centre. Crest Hotels, part of the Bass group, has an-nounced plans for the 132bedroom first phase of an hotel, complete with conference and leisure facilities. Advanced factory units are being let faster than they can be built and groundwork for a new railway station - only the second provided by British Rail in recent times—is under way, to give a faster and more direct service to London and the Mid-

Milton Keynes over the past 12 months has gained a momentum of its own, but it was not always so. The commercial success of the enterprise owes a great deal to the drive and political influence of Lord Campbell of Eskan, the develop-ment corporation's chairman. A the Labour Government was member of the Irish and Scot-looking for someone to head the tish aristocracy, educated at Milton Keynes project. "It Eton and Oxford, and a success- seemed to offer the right chal-

#### Challenge

Booker McConnell Lord Campineres in population and jobs cal revolution" would not be bell not only championed the forecast for the south-east forthcoming. Population foredectrine of "social responsiregion in the early 1960s. Its blifts" but also initiated not a social responsidoctrine of social responsi-region in the early 1960s. Its bility but also initiated pro-purpose was to help relocate grammes for the rehousing and Londoners living in bad hous-



settlement of workers in the company's sugar estates in British Guyana.

Just as he was retiring from seemed to offer the right chalful businessman, he retains his lenge of administrative, social, commitment to the Labour economic and political problems Party and Socialism.

Milton Keynes had been designated for expansion as a "counter-magnet" to help Lon-In his days as chairman of don contend with the rapid

ing conditions and Lord Campbell declares that in this role the new city has been a

But with hindsight he is prepared to concede the argument that had the planners been able to foresee the economic conditions that actually applied by the time the new city machinery was set up, Milton Keynes might never have started. By the late 1960s it was clear that the jobs promised under Sir Harold Wilson's "white-hot technologi-

passionate in his belief that, the important turning point industrial aid must help Milton once started, the new city should where private capital can be Keynes to the extent that it rethe short term we are building of that.

Government loans and becomes a development goldmine."

Such commitment has carried the new city through the difficult periods which have followed spending on roads, schools and changes of Government and economic climate. The Conservative Administration returned under Mr. Heath in June, 1970, was expected to examine the future of Milton Keynes critically alongside other prestige be provided by private investors.

MK, to adopt the vogue terminology of the planners, emerged from that review unscathed and there is a similar confidence that the programme will be unchanged by the Thatcher Administration. Lord Campbell declares that "it would be folly at this stage not to allow Milton Keynes to continue developing under its own

momentum. The arrival of a Conservative Government committed to the tion of Milton Keynes. Population within the designated area has more than doubled in the past 10 years to about \$6,000 However, Lord Campbell is so that the city has now passed

"In the longer term, the city's commercial success will be judged on whether it repays all carly stages of the partnership sidered are increasing the three-better than the city's commercial success will be judged on whether it repays all carly stages of the partnership sidered are increasing the three-better hold for grapts wedging the between the development corporation. Milton Keynes borough council and Bucking-

According to the latest afford to trade on its natural forecast, 38 per cent of the projected £2bn total development cost for the new city will network, its preximity to Long and the markets of the

Government might cause prolilems for Milton Keynes is in any proposed public spending economics on items such as education and leisure facilities.

The city does have the advantage however that much of the basic infrastructure has already been installed—the cynics point out that Milton Keynes has always seemed to have mile role of the market and a cut upon mile of new roads cutting in State involvement raises a across green fields with the rewhole series of questions for sult that it would be politically the new towns but should, if embarrassing for any Covern-anything, strengthen the posi-ment to call a halt before the factories and houses had been

not be halted. "Milton Keynes attracted. The shopping centre duces the incentives for mobile is playing an enormous role. In and hotel are sufficient evidence industry to locate elsewhere. Decisions are expected before houses faster than anywhere else in Britain for people still reports that the dramatic shift the Chanceller of the Exchequer in inadequate conditions. We from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the Exchequer from public to private investing the chanceller of the chanceller of the Exchequer from public to private investing the chanceller of the c

> hold for grants, reducing the Keynes size of assisted areas and cutting advanced factory building by the English Industrial Estates Corspending on roads, schools and poration. Any such moves to the general infrastructure was slim State involvement must slim State involvement must benefit Milton Keynes, which can afford to trade on its natural network, its proximity to Lon-don and the markets of the South East, and the new factories or green field sites it can offer.

Such advantages seem likely to carry the city to its original target population of 250,000 although the previous Government as part of its review of new towns and inner city areas recommended a reduced level of only 200,000 by the 1990s. The time-scale assumes more academic significance once selfperpetuating growth has been established.

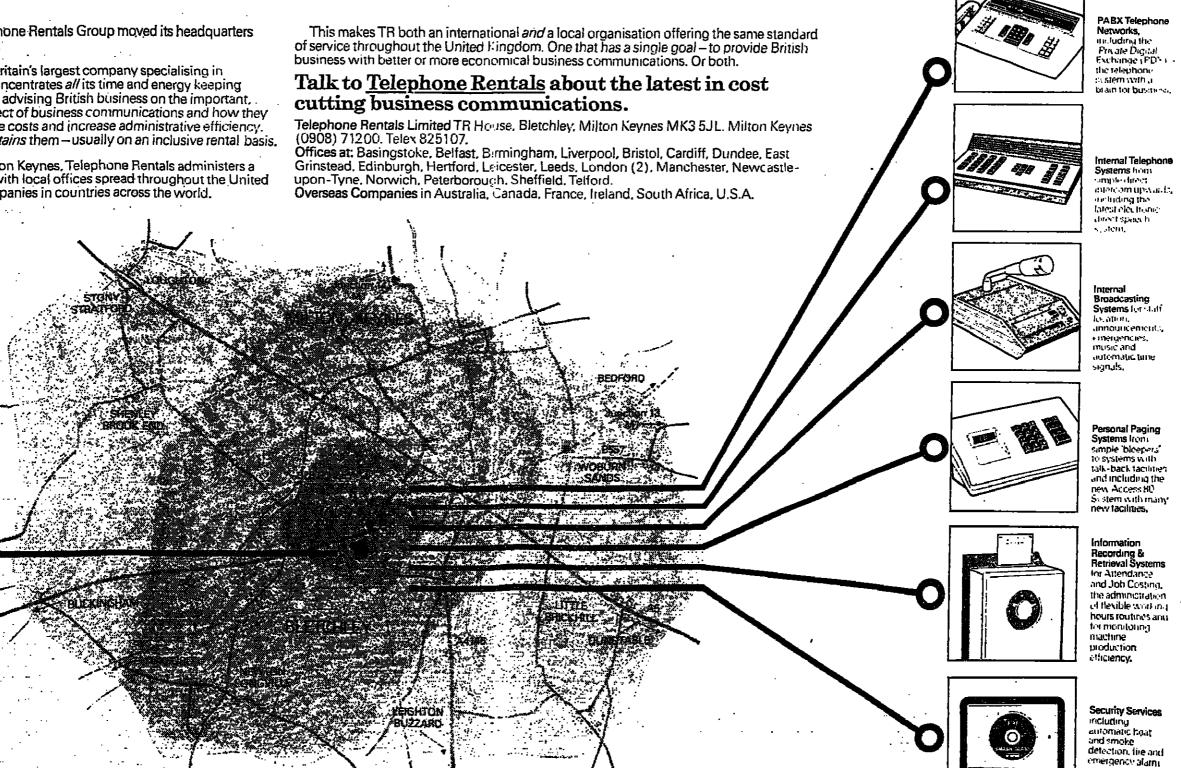
Inevitably, because of its success in creating 25,000 new jobs over the past decade, Milton Keynes features in debates about regional policy. Lord Campbell rejects any criticism that the new city's growth during a period when The Government's current remobile industry was strictly view of regional policy and limited might have been at the CONTINUED ON NEXT PAGE

> Systems, and Security Guard Protection



can be used to reduce telephone costs and increase administrative efficiency. And provides, installs and maintains them - usually on an inclusive rental basis. From its headquarters in Milton Keynes, Telephone Rentals administers a

network of 10 regional offices with local offices spread throughout the United Kingdom, and six overseas companies in countries across the world.



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# Big demand for factories

MOST AGENCIES trying to balance between the private and welcome the problem faced by Mr. Alien Duff, commercial been created over the past director of Milton Keynes decade to take the total employquickly enough," he says.

tory units have been let over were created by companies the past 12 months—a rate of transferring to the city from one every 21 working days, outside. Almost as important according to the calculation of was the growth of companies an assiduous Press office. The programme to step up

provision of advance units to from enterprises actually lm sq ft from the 650,000 ing up in Milton Keynes. achieved last year was hit by bad weather in the early months, but a further 90 units of varying sizes are scheduled for completion this year. Leasefor completion this year. Lease-hold sites, such as the 23 acres made available recently to Volkswagen (GB) for admini-stration and warehouse headquarters, are also on offer.

General Motors has just taken a temporary lease on office space as the first move towards occupation of a 28-acre site that will house a £10m warehouse and distribution centre for auto-motive components. The development will provide employment for at least 300 by

Mr. Duff says the demand for accommodation has really taken off over the past 12 months but the upward trend had been the new city were the opening of the shopping centre and the planned new hotel and railway station. "I think these have marked the shift from the up-hill struggle to the downhill

One change which Mr. Duff thinks the new Conservative Government might make would be to give development corpora-tions the option of allowing the sale of industrial freeholds. He points out that it is important for the community, which pro- Mr. Duff says such a favourable vides the essential infrastruc- flow was not expected so early ture, to take its share of the

increased value of a site.

On the other hand, the tion of the city's success. flexibility to offer a freehold Milton Keynes, with an

portant to have a proper former commuters.

attract new industry would the public sector."
welcome the problem faced by About 23,500 new jobs have

Corporation: ment in the new city to more Demand for factories is so than 40,000. A recent study by great that we cannot build them the development corporation suggested that little more than More than 100 advance fac- one in five of the new jobs already resident, while 22 per cent of new employment came from enterprises actually start-

> Predictably, there was a large increase in the service sector with the growth of shopping, education, leisure and adminis-trative facilities. The effect of the expansion programme so far has been to reduce slightly the relative importance of manufacturing industry, but opporfunities for management and the professions have increased.

#### Construction

The city has a broad-based economy with no obvious bias towards either manufacturing or service trades. The most noticeable difference between the employment structure of Milton Keynes and that of Britain as a whole is the high number

engaged in construction.

Total employment in apparent for three years, sector is currently around 4,800 Factors creating confidence in and this can be expected to remain high for many years as the development corporation claims is one of the biggest construction programmes in Europe.

Construction workers, more than half of whom do not live locally but travel in, exert an influence upon what is an interesting commuting pattern. About 13,000 workers come into Milton Keynes daily as against 7,500 who travel out. in the expansion programme and takes it as another indica-

Milton Keynes, with an estabdeal could be important in lished and fast train service attracting companies and future employment to the area. There is also the need to area for the capital. But Mr. develop a strong mixed Duff maintains that the grow-economy," Mr. Duff argues ing employment strength of "There is a danger in new the new city means that it is towns like Milton Keynes of having to provide jobs not only over-municipalisation. It is im- for the newcomers but also for



Construction of the shopping centre has greatly buoyed commercial confidence in Milton Keynes. Here Ashton House and Norfolk House, two office blocks, are under construction in the city centre

a source of jobs for the new city has also declined over the past five years. In total, about 1,650 jobs represent the direct transfer of companies from the capital, but this movement has now slowed to a trickle. Com-

panies tend to come from other parts of the south-east region where, because of pressures upon land, housing and labour, expansion might be restricted. Mr. Duff argues that it is far better to provide a city such as

Milton Keynes as a planned growth point rather than allow development in the South East to take place on an ad hoc basis. The city has proved attractive to foreign companies although the development corporation has done very little overseas marketing, except in

The importance of London as land are also represented source of jobs for the new Mr. Karl Guttentag, chairman of Milton Keynes Indus-

trial Association, which has about 120 member companies, says a good dialogue has been established with the development corporation. Because the articles of the association, a local body established some years ago, are too restrictive, businessmen are in

the process of forming a chamber of commerce. Mr. Guttentag says the support and funds are already available. Only an industrial dispute at Companies. House has delayed registration of the new chamber.

the association is the prospect of shortages of skilled labour— a national problem but one provides full opportunity for which could become acute in such co-operation. North America.

About 18 U.S. firms, the latest of which is General Motors, have set up operations, while companies from countries such an inflationary scramble, for labour the new city with expansion. Local employers must companies from countries such as Luton panies not to get caught up in and Duestable to the countries such an inflationary scramble, for Redford to the casts and labour. It does mean however, Worthampies is in north.

that employers must at the very

already have the £100-a-week workers," Mr. Guttentag says. A recent survey of local industry. by the association suggested, however, that labour shortages were not a constraint on produc-

The association is devoting much of its energies to establishing links with the schools to establish a two-way flow of ideas on industry's needs and the f the new chamber. Level of training of young-One of the issues raised by people. The range of new

Another issue which has least ensure that working conditions and ancillary facilities are competitive.

"Wage levels in Milton Reynes are competitive and we already have the £100-a-week workers," Mr. Guttentag says. A of developing what was an essentially rural service into a city-wide operation.

Problems were exacerbated by the bad weather early this year, but a number of companies have turned to private hire to ensure that their workers' travelling time is cut to the minimum.

In general, however, problems of businessmen in Milton Keynes tend to be the same as those faced by industrialists throughout Britain. What they are grateful for, according to Mr. Guttentag, is a good working environment and the stimulation of being in a city that is both expanding

# Commercial building in full flood

physical fabric of Milton of demand for these. Keynes that, in the next year and other property as has taken

more enceuraging, and though a developments not directly confilled without noticeable diffi- name, but little else.

In transforming paper plans Cementing and designs into buildings the private sector has played, and continues to play, a vital part. is doing is to bridge these older. This year more than 80 per cent of the capital programme for industrial and commercial property will be funded by the institutions.

The Post Office pension fund provided the initial impetus for magnificent shopping centre, said to be one of the two biggest under cover in Europe. It funded £24m, nearly faith in the management of the Development Corporation as well as in the future of Milton

There was always the postoo splendid, too visionary, too impractical commercially; and viability.

It was therefore a consider-

Woolworths, now acquiring a temporarily, became the chief new image, Waitrose, Tesco and Boots, with space reserved for Marks and Spencer.

A commitment by top names been turned into offices in the subdiatry, is to build on the subdiatry is to buil

created by both the private and a sense of community is genepublic sectors in building the rated. There has been no lack ference reflects both the

But Milton Keynes is not just to 18 months as much building a new town that will have a will be going for offices, hotels grand central shopping area, administrative and other offices place in the past five years, and the usual paraphernalia of The picture has never been a growing population. It is

multi-centre city, with a severe economic downturn Bletchley in the south and the could stretch programmes over railway town of Wolverton and longer time scales, it seems adjacent Stony Stratford in the clear that a watershed has been north, all long-established reached. There have, it is true, centres with their own tradibeen one or two withdrawals tions. There is also a number hy the private sector from of old villages including the village of Milton Keynes on the nected with the shopping western side of the new centre-centre, but the gap has been from which the city takes its

communities, and, at any rate in terms of business and commerce, draw them together with a new-found identity. What is developing is a bigger and more magnetic and go-ahead area.

What is happening at Story Stratford to the property scene both follows general trends as well as cementing bonds with the new town area so that they are beginning to progress in a more composite manner.

behind them, several of which have now been taken over and sibility of the shopping centre made into a car park. A tion is congregated round the being labelled too grandiose, majority of the shops used to main shopping centre. Some is families found the rates become on what are called campus sites M1. Volkswagen (GB) has ing too high to live above them —they look out over woods and already established its headindeed it has still to prove its ing too high to live above them and they began to move out.

It was therefore a considerable coup to capture the John Lewis Partnership for the big on since, with the result that deeply rural. In fact, the changes. They have been going corporation has taken an active on since, with the result that block at one end of the centre, properties have been changing for it demonstrated to others hands much more frequently. beyond peradventure that canny traders believed in the project supermarkets appeared on the It was always recognised that and were willing to back their scene. The increase in values if the new Milton Keynes was not were willing to back their scene. The increase in values if the new Milton Keynes was not were willing to back their scene. judgment in millions of pounds. started three or four years ago going to function fully at least Others which have followed with the increase of population one new hotel would be needed. the John Lewis Partnership are in the new city, and Bletchley. Had a decision been taken two

A commitment by top names been turned into offices in the subsidiary, is to build on the such as these has had a vitalisestablished centres, with rents edge of Willen Lake will be ing effect elsewhere in the of £3.50 a sq ft in modern or a substantial one of 132 property market, and not only modernised accommodate or because the substantial one of 132 property market. property market, and not only modernised accommodation and bedrooms in central areas of Milton 13 or perhaps less in older. It is being started at the end Keynes. The new city has been accommodation. This compares of the year and is due to open built in a connected series of with £4.50 and £4 a sq ft in in the first half of 1981. The

IT IS another sign of the neighbourhood centres each and around the centre of new corporation believes it will be momentum that has been served by corner shops, so that Milton Keynes. momentum that has been served by corner shops, so that Milton Keynes.

another five years or so created by both the private and a sense of community is gene— The narrowness of the dif- another hotel is needed.

demand for office accommo-dation everywhere — there is Rail is to build a £5m station none to let in Corporation which will incorporate an inter-developments—and the improvdevelopments—and the improvements—and the improvements—and the improvements—and the improvement that the local bus sering quality in the older districts. Vices. Site works have started Only 18 months ago it was and the completion date is in possible to get the same accommay, 1981. When opened the modation in Bletchley or Stony new station will be on the inter-Stratford at £2 or £2.50 a sq ft,

Once again, it is due partly professional men, building retained for the benefit of local societies and so on—has taken people. root and grown. Lloyds Bank was instrumental about five years ago in building the first £3m block of shops and offices, just across the way from the shopping centre in what is now

called Lloyds Court.
National Westminster and
Barclays were concerned in the
Norfolk and Ashton House office projects at the other end of the shopping area near the civic centre. However, their participation could not be confirmed and Norwich Union has stepped into their shoes. Industrial development, with National Westminster has taken its emphasis on one-man or tenover part of the ground floor of the civic offices.

Norwich Union has also funded part of the shop buildmore composite manner. ings and two blocks of offices, Stony Stratford shops used to: each of 70,000 to 80,000 sq ft. have long gardens and orchards just being built at a cost of about £6m.

tion is congregated round the the General Motors subsidiary, family-owned, until the to be built by the corporation fields, but are by no means all the city's infrastructure by building offices before tenants

About a mile and a half south

city Advanced Passenger Train or £1 less than currently being route, further cementing the links with London as well as making journeys much easier to the private sector that for people living to the north demand for business accommo- The existing stations at Bletch-The existing stations at Bletchdation-for lawyers and other ley and Wolverton will be people.

British Rail has also funded an interesting industrial development of three attractive blocks of 50,000 sq ft at Northfield, near Willen Lake. The Post Office, too, has been involved on this side with a £Im development of advanced factories at Moat Farm. easily distinguishable by their white exteriors.

Kiln Farm has been funded by Scottish Mutual Life Assurance. men nursery projects, and which is absolutely essential to balanced expansion, is going forward steadily with almost all

the units taken or spoken for at

average rentals of £1.60 a sq ft. Their big counterparts are leased sites such as that at AC Not all the office accommoda- Delco Automotive components, which is building a £10m ware-house at Child's Way, near the quarters at Milton Keynes with a £7.5m investment Tesco. Hoechst, BOC International and Coca-Cola are among other big name companies to have found homes in the new city. Alto-gether more than 200 companies have moved in to create 23,000 new jobs.

Current and firm future projects for factories, offices, shops and local centres total more than £30m, of which two thirds is being funded by the private sector. So the development corporation is able to demonstrate to pension fund managers, the City and the market in general in no uncertain terms the confidence that there is in the city's



The shopping centre, above, is half a mile from end to end. The borough council's new Civic Offices are adjacent at the lower left

A scheme of similar value at CONTINUED FROM PREVIOUS PAGE

expense of London and the assisted areas.

He points out that only about 1,650 jobs represent direct moves from London and that such a safety valve is essential if redevelopment of the inner city areas is to take place. Milton Keynes is seen as one of the planned growth points in the expansion that inevitably will take place within the prosperous South-East region. "Of course, it is arguable that

new towns to some extent impede development in the assisted areas, but the difficulty has always been that no amount of economic incentives have countered the attraction of the South East. In my previous career, in Africa and the West Indies, there were some places people wanted to work and live. Milton Keynes is such a place."

Lord Campbell also stresses the importance to Britain of pro-viding industry with modern facilities where it is possible not only to achieve high productivity but also to enjoy a good one of the nation's important working environment. The new achievements. city has been successful in-

Peter Cartwright "All you can no m a job of things. That is life."

we have done this with the high standard of building and environment we have demanded. I am confident this quality will give Milton Keynes a character and a soul of its own."

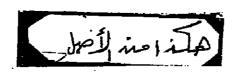
But does the mounting petrol shortage not pose a threat to a new city modelled around an ambitious grid system of roads?
"We are being affected more than if we had built at a higher density but I am unrepentant. People want to get the best out of the town and countryside."

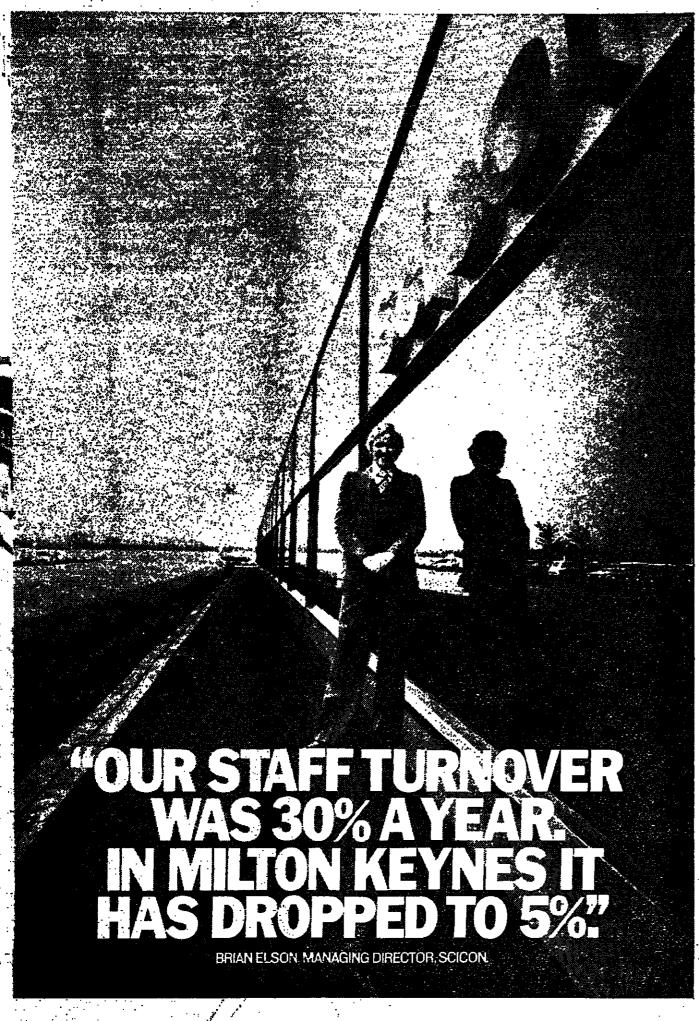
Employment areas were now being built closer to housing. more corner shops were being provided and efforts were under way to improve public transport. Opportunities for cycling and walking were also much greater than in the conventional city.

Lord Campbell, after more than 12 years in the hot seat as chairman of Britain's most controversial new town, has lost none of his enthusiasm for the venture. He sees the project as

"I don't know what the future attracting high-technology indus holds for Britain, but if anything tries and a number of com succeeds it will be Milton panies from overseas, particular Keynes. I do not say that we won't have our share of prob-"All you can do in a job of lens. But that is true of all

( ملذامند للصل





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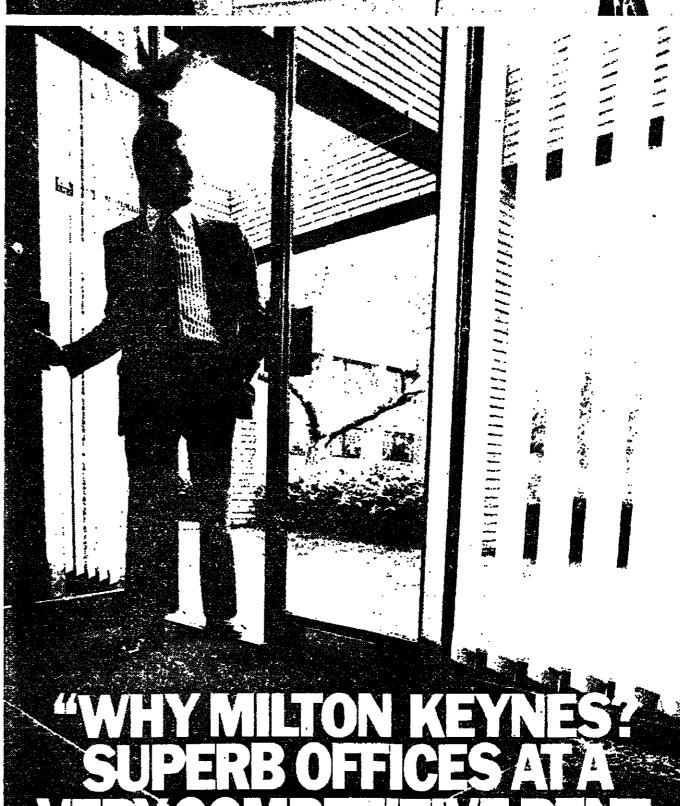


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# Shopping strategy welcomes all

has turned a blind eye to some cherished criteria in its suc- Luton. cessful drive to establish what cessful drive to establish what will be one of the biggest shop- attract a lot of people initially housebound, the mums with purely on curiosity value. It is families and lots of washing, the new centre is bound to the everyday housebound, the mums with purely on curiosity value. It is families and lots of washing, the

Many developers will advise keeping banking, building societies and betting shops off the High Street. But though the three Bs may be anathema to some, in Milton Keynes they receive no less a welcome than the supermarkets. It is a measure of the corporation's evenhandedness that the first shopping area to open, five years ago now, is called Lloyd's

Building societies have a logical existence there, too, and if there has been nowhere to make a formal bet on the Derby there certainly will be, for the shopping centre caters quite specifically both for the they are reasonably well pro-biggest and grandest such as vided with shopping facilities the John Lewis Partnership, though lacking somewhat in the and for the one-person craft facilities supermarkets larger shop not much bigger than a than existing ones can provide, living room.

The corporation's shopping strategy is based on a three-tier hierarchy that takes account of existing facilities in the district and in the region. Taking the John Lewis Partnership project as an example, its Milton Keynes store lies between one in Brent Cross in London and another in people who soon will have the the shopping centre will be a wider range of choice.

very likely, when they have allotment addict and children sampled its unrivalled ameni- with a few pence to spend. ties, that they will return - it will not be difficult to form a pleasant habit.

At any rate it is expected that somewhere near 750,000 people a week will be using the centre not too long after its opening in August. Perhaps one in three

#### Stimulate

The new shopping centre is well clear of the established towns of Bletchley, Stony Strat-ford and Wolverton. For populations each of around 50,000 than existing ones can provide, and in fashion shops. What-ever deficiencies there may be will be made good at Central Milton Keynes and should also stimulate the combative trading spirit of the more senior places.

Of course, as the population increases beyond the present 86,000 there will be the opportunity for further shopping developments to the east and Nottingham. It has been taken west of Milton Keynes, depending on how future facilities elscing on how future facilities elsenew city, but the much wider where develop, or new ones are region around. Within 45 needed. This second tier of minutes driving time are 1.5m district shopping seems to have been sensibly planned, and is new magnet of a unique shop-ping centre to attract them. being sensibly developed to meet present and future needs in the range and quality of of an expanding population that goods the bigger operators in will be looking increasingly for The third tier in the shopping

establishments which cater for

The range includes, of course, the traditional newspaper, magazine and confectionery shops, and is expected throughout the new estates to include chemists as well as fish and chip shops, post offices, grocers, vegetable shops and laundrettes.

If the range is to be wide enough to cover needs that are both everyday and occasional it appears probable that in the early days at any rate there could be some failures among one-man businesses. To counter this the corporation has embarked deliberately on a policy of interesting single developers to take over a group of corner shops. It is hoped in this way to sustain any shopkeepers who get into difficulties with the profits of the more successful.

A start has been made through an American group, Southland Corporation of Dallas, which specialises in neighbourhood units and recently took over R. S. McColl,

the newsagents and confec-tionery group. Milton Keynes represents Southland's first venture of this kind in Britain and the corporation is delighted that it should be so.

On the other hand, this does not preclude the individual seeking to establish himself or herself, but it is felt that a mixture of the two will lessen the chance of depressing

At the heart of the city is the half-mile-long High Street of shops whose covered arcades

gross of retailing space, all on shop windows on either side.
one level, is as large as the
National Exhibition Centre near garden court, open to the ai Birmingham and it is a good deal more compressed.

Yet while the sheer bulk of the enterprise is truly impressive, its impact has been softened in a number of ways. First by the relation of height to length and width; second by the liberal use of trees and plants indoors and out and the absence of disfiguring multistorey car parks; and third by reflective glass which to the passer-by will mirror the treelined boulevards and the general activity around the centre.

The aim has been to prevent the buildings dominating the area and when the two treelined boulevards that march alongside the centre reached maturity this should be realised more fully.

For the time being there will be more than one opinion as to whether the bold concept has been successful. The sheer scale of the centre, still raw and unfinished, towering above the young trees tends to be daunting as well as impressive. But inside each hall has its own personality and the individual feels not at all overwhelmed.

The two light and airy main arcades that run the length of the building are paved with sandy-coloured marble and along the middle of them are raised beds planted with a bewildering variety of plants, succulents and trees from many parts of the world. There are lime and palm trees, oaks and

THE Development Corporation ing shopping facilities in hierarchy comprises the neigh- continue the grid system of evergreens, ferns and mosses in has turned a blind eye to some Northampton, Oxford and bourhood shops, the little corner roads on which the new city is a botanical array that will being established. Its 1.1m sq ft admirably set off the big picture At one end is a splendid

garden court, open to the air. with a fine fountain playing above a pool. Towards the other end are a series of cafes that will be overhung by grape vines supported by a series of pergolas, the whole set off by the bright blue of tall African flowers.

There is also a very large, airy hall designed to be used for temporary exhibitions and any other events that will attract passers by as they shop. Even in its unfinished state the centre has become a centre of attention for town planners and architects from Europe and beyond. Those who live in Mil-ton Keynes will get their chance to wander and wonder when the

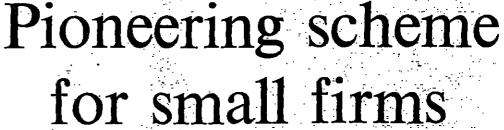
centre opens on August 9. All the big shops have found tenants or have been spoken for and these inevitably will overshadow the smaller units. These also are steadily filling up with chain shops, hardware stores and many others still to make their presence known.

Looking out on to the flanking tree-lined boulevards which also contain the free car parks. will be the small delicatessen, craft, picture gallery and other units. In the middle, on one side, will be an open market for fresh fruit and vegetables.

so that it bypasses Stony Stratford and goes along the peri- Keynes development corpora-phery of Central Milton Keynes. tion, devotes much of his There will be several interchanges, including one at Bletch-ley to the south, a central one linking also with the M1, and ground. another leading into the industrial area to the north.

The new railway station to be built near the shopping centre will also create access from outside the city and intending shoppers 'should find the various routes and facilities quite ade-

Although the shopping centre is opening in August, not all the retailers will open until autumn. The first real test of the amenities and their pulling power will come at Christmas. Christmas tree is just about the only one they haven't put in the building, but there's plenty



Access to the central shopping be a place of opportunity. It is area is easy, by dual-carriageway only right we should share part roads, and will be made easier of the risk in encouraging new roads, and will be made easier of the risk in encouraging new still for visitors from beyond the firms." That is the view of Mr. city boundaries. The A5, the old Nigel Walker, 30, who in addi-Walling Street, is to be realigned tion to his job as principal commercial surveyor with Milton we could assist, but that has that figure includes the develop-Keynes development corpora not happened yet," Mr. Walker ment corporation. Nearly half tion. devotes much of his energy to the Small Business, applications for the units, the fewer than six people and the Centre—a pioneering project? development corporation could aim is to generate industrial Centre—a pioneering project? to help small firms get off the

> The development corporation has provided 11 workshop units, ranging from little over 500 square feet to around 2.700 square feet, on a site at Kiln Farm. All were leased to new or existing small companies in-

All tenants are shareholders in the management company responsible for day to day run-Peter Cartwright

Position of the Centre which also provides shared conference and secretarial facilities. Mr. Walker, as the company secre-

"A NEW CITY is supposed to tary, sees his job as trying to tion wants to operate on its make the landlord-tenant rela-tionship as flexible as possible Milton Keynes enjoys the to ensure the commercial suc-benefit of a broad-based local

A lathe operator at work in one of the small factories at Kiln Farm

"If there were any difficulties of its companies employing we would have to look at how more than 100 workers — and afford to be selective about its growth from what is regarded tenants.

#### Expansion

Mr. Walker reports that one company is already seeking a move so that it can triple its volved in modern technology. Hoorspace from the present the difference is that rents are tare leased for three years but arrears and the landlord will take a sympathetic view of short term problems.

Hoorspace from the present Even without the specialist facilities effered at Klin Farm many with companies have started in the advance factory units provided by the corporashort term problems. floorspace from the present movement and expansion.

The School of Management at the Cranfield Institute of Technology, nearby, is also coperating with the Centre and sultancy in the early days on tonics such as marketing, cash-

Mr. Walker says the Cranfield involvement is continuing and companies are able to take up business advice at fees arranged

since elevated to a peerage, is only the prototype for a number of schemes which the corpora-

cess of the individual ventures. economy with only 4 per cent With more than 150 the city's companies employ

as an important sector.

A survey of employment growth in the first seven years of Milton Keynes up to September 1976 indicated that 4,200 jobs, or 22 per cent of the total, had resulted from new firms setting up in the city.

take the risk to a number of

where there might flow projections and profes- element of risk that will provide the growth. So far we have been successful," he says. The experiment at Kiln Farm

has not only provided the new through the development companies but has also attracted corporation.

The Kiln Farm project, we have had a surprising opened by Mr. Harold Lever, the Labour Minister with responsibility for small firms and other new towns," Mr. are doing from local authorities and other new towns," Mr.



Part of the almost completed £36m indoor shopping centre with its mixture of small shops and big stores

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says Mr. M. L. Heelas, Managing Director of Volkswagen [GB] Ltd.

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Offices in Europe, the Middle East, and North and

# move that paid off ONE OF the first big names also good for the international

doubts were still being cast on the viability of "the planners' he said.

are the company's plans for the

Mr. Nicholas Beattie, site administration manager, speaking in his office in the site for a prestige company. We would not have found any-where more suitable in the whole of Britain."

And he pointed out that the company did try. "After being shown around the extremities of Scotland and the wilds of Wales, we managed to persuade the Department of Industry that we really wanted to be in Milton Keynes." Hoechst took over the former

Walton Manor stud farm and 80 acres of grazing land in 1972. The first big investment was a £3.5m project to establish a pharmaceutical research laboratory to contribute to the company's £30m a year research into products for medical use.

The laboratory, with accommodation for 150 research scientists, is geared towards development of improved methods of disease diagnosis and studies into potential new

Soon afterwards a new facility was established to increase Hoechst's role in veterinary medicine. Animal laboratories and facilities for the production of vaccines and sera were built. The 80 acres of farmland provided natural grazing and allowed the investigation of products under practical farming conditions.

At the beginning of this year £750,000 warehouse for the distribution of pharmaceutical goods was opened. For the facilities established

ideal, Mr. Beattie maintains. He says that for distribution the city is well-placed astride the main north to south rail and road links. Communications are

that Milton Keynes attracted to zirport at Heathrow. Travel the new city was Hoechst, the time to the Hoechst head German chemicals giant with quarters at Hounslow is only operations in 120 countries. But about 1; hours. "Further than that was in the early days when that would make it a two-day rather than one-day journey, Milton Keynes was within Nearly 10 years on, why was easy distance of central London, the decision made, how which was important for the successful has it been, and what pharmaceutical laboratory's links with the teaching hospitals.

Apart from the factors specific to Hoechst, Mr. Beattie drew attention to the environconverted Walton Manor House, mental benefits of the new city, declares: "This is a prestige "There is the prospect of good housing and open countryside, while staff can also travel quickly to London for the theatre and other facilities that

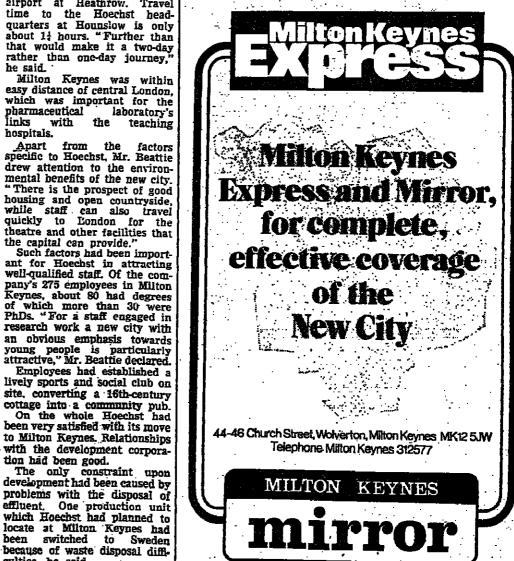
the capital can provide."
Such factors had been important for Hoechst in attracting well-qualified staff. Of the company's 275 employees in Milton Keynes, about 80 had degrees of which more than 30 were PhDs. "For a staff engaged in research work a new city with an obvious emphasis towards young people is particularly attractive," Mr. Beattle declared. Employees had established a

site, converting a 16th-century cottage into a community pub. On the whole Hoechst had been very satisfied with its move to Milton Keynes. Relationships with the development corporation had been good.

The only constraint upon development had been caused by problems with the disposal of effluent. One production unit which Hoechst had planned to locate at Milton Keynes had been switched to Sweden because of waste disposal difficulties, he said.

Looking to the future Mr. Beattle said Hoechst was not satisfied with the company's present level of operations at Milton Keynes, but there were no specific plans for expansion.

Future development would depend upon Hoechst's activities worldwide and the performance of the international economy. "We have a site which provides so far Milton Keynes had been not only the space but also the environment for profitable growth. We shall respond as the opportunities arise."



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Financial Times Wednesday June 27 1979



Or buy a Volkswagen...

# Homes programme starts to accelerate

THE PROGRAMME of home building in Milton Keynes is beginning to roll faster. The beginning to roll foster. The development corporation no longer has to cajole or pressure nervous developers. A decade of investment pump priming is being rewarded and today the pressure to build is coming from waiting lists for private homes.

'Demand is strong across the longer has to cajole or pressure to build is coming from waiting lists for private homes for sale on the 14 build-build for a wheelchair or other aids to be waiting for them in the car park outside the store they want to visit.

'Compared the development corporation and developers can look forward and developers can look forward and developers can look forward and today the pressure to build is coming from waiting lists for private homes.

'Demand is strong across the longes for sale on the 14 build-build for a wheelchair or other aids to be waiting for them in the car park outside the store they want to visit.

In each scheme the corporation to visit.

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The new Conservative government allows new town homes for the mobile disabled and a discount of 33 per park outside the store they want to visit.

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'Demand is strong across the range of houses," a confident Mr. Brian Brookman, manager of the private housing unit, asserts. "And there is an increasing demand for the more expensive homes, a few of which cost up to £75,000."

where new houses are going for £39,000 to £45,000, a hundred people are after 31 houses. At balance between homes for rent Milhayes, where four-bedroom, two-bathroom houses of £43,000 struck perhaps sooner than to £45,000 are to be built, the waiting list is 65. About 160 have their names on the list for homes in the £16,000 to £27,950 half for sale. At present the product at Parkeido a downlon. waiting list is 65. About 160 have their names on the list for homes in the £16,000 to £27,950 believes, is half for rent and believes, is half for rent and believes at Parkside, a development of three and four-bedroom terraced and detached houses. There is a list of 140 names for flats and maisonettes in the central area.

The ideal mix, the corporation believes, is half for rent and half for sele. At present the mix is 60-40 per cent in favour of rented accommodation. There are 50 completed developments of 10,000 rented homes and another 3,400 are being built on 23 developments.

#### Canfidence

The keen demand both for the liphest-poic d homes and those there where end of the scale what's the cowner confidence to the number ment in the prince of the new city as a closest plane to live, as well as note and the speed with free new yells are being

to mental some of the people of the people of the the channel housing nd it is within reasonable. computing distance. In face ut people so to work outside. But the more signifi-

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It was always anticipated that natural growth would take over there are now waiting lists. at around 150,000 population — 200,000 more pessimistically — but now it appears that this process has started already. And with the infrastructure and co-operative ventures. ost up to £75,000." making steady progress this can At Milton Keynes village. be expected to continue.

The larger demand for houses for sale also suggests that a

It is a measure of the corporation's concern to create a city for all ages, conditions and abilities that 15-20 per cent of the housing stock is for the aged, besides catering for single people, the disabled and for all sizes of family. The mix is reviewed in the light of national population statistics and policy

Officers had been quite prepared to turn over some of the sheltered homes to ordinary folk, but there has been no need, and small wonder. One of the completed schemes is imagimetage in the London area, native in design, with inner walkways naturally decorated with bushes and evergreens and of fastidious quality, with a great deal of though obviously classic is that 13,000 from having been given to the prob-ide and work there. having been given to the prob-lems and needs of the disabled.

For these sheltered homes, too, there are now waiting lists. Schemes are also being given

#### **Easier**

With a new government in power committed to encourag-ing home ownership the corporation has been able to make it a good deal easier and more attractive for tenants to buy. The 60 per cent balance of rented accommodation reflects the lack of confidence developers had in building for sale until the market started to pick up about two years ago.

Nevertheless, although there had necessarily to be a heavy emphasis on accommodation to rent, the corporation, encouraged by the Environment Department, built to designs and standards — especially as regards spacing — which in the years to come would be attrac-tive to people who wished to

The original rules for tenants who wanted to buy were that

discounts even if they are less than cost. There is an immediately available 30 per cent discount even if the occupier has been there less than three years. And if he has been there

The speed with which the corporation can tilt the balance in favour of house purchase quite obviously depends to a considerable degree on the views tenants take of their accommodation. accommodation.

In the earliest days, when the corporation's brief was to build quickly to increase the 40,000 then living in the area by populating the fields with houses, it had to agree ajor developments of largely uniform construction in order to attract the builders.

To some people one or in-of the early developments, in: all in yellow brich, another all in red, with red-tiled rocks, look horribly uniform and barrack-like. They also emphasise the severity of the geo-metrical pattern of development, in which squares pre-

and from some angles an ap-parent half-mile of terraced houses—what is it like for those

Like the shopping centre itself, much of Milton Keynes for three years the discount is is much nicer from the inside 33 per cent, with a further 1 looking out. This is changing per cent discount for each extra as a greater degree of variety and character become evident. is much nicer from the inside and character become evident,

and this will happen at an increasing pace.

In the year to the end of March the number of completions was on target at 400, and for the appalling weather. This year 700 homes should be completed and there is no reason to doubt that 1980-81 will produce 1,200 and the year after that 1,500.

There are 21 schemes currently under construction to provide 1.873 houses, of which 750 have been completed so far. Another 18 schemes have been agreed and will in time More and more schemes are

being agreed with the volume house builders' study group (of seven of the largest builders in the country). Milton Keynes is in the up and up.



The city is aiming for a good mix of private and rented accommodation. These are some of the rented homes at Neath Hill

# Leisure one of the main priorities

IF EVER a city has been det must be Milton Keynes. For the development corporation and borough council's ambiti-ous planning for the spare time of the eventual 200,000plus population, and the visi-tors they want to attract, is one of the reasons architects and other professionals visit from all over the world.

The city's underlying theme of leisure is reflected almost everywhere that so far has been built on, landscaped or simply left alone. It is intended to be a place to explore and about, especially by bicycle or on foot, can be a pleasure

A place where you may find a canalside walk or a nature trail in a wood a few minutes from your front door, and a judo class or the big city stores (when the shopping centre opens) may be no further away in another direction.

Huge swathes of informal parkland with riverside walks are being created—the Linear Parks along the rivers Ouse and Ouzel and Loughton Brook
—in the city plan. There are 65 miles of cycleways and more to come, And in the built-up areas trees and shrubs are being planted everywhere (more than 2m so far), so that town and country become insepar-

Everything, it seems, has been thought of. The two borough council leisure centres with their theatres and excellent facilities for many kinds of sports to international level, have been open for some time. A sports stadium is to be built; one of two equestrian centres is open; a regional arts centre is to be developed when funding and policy can be agreed; and the city has a new museum and its second artistin-residence, thanks to an Arts Council Fellowship.

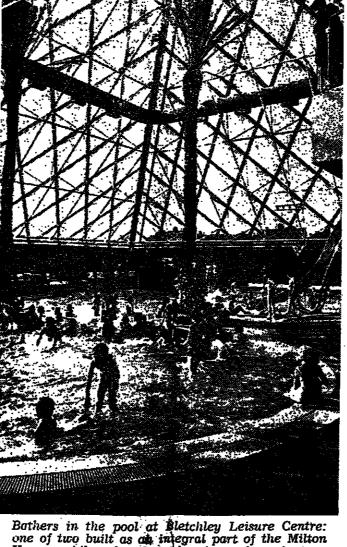
#### Bonus

There are adventure play-grounds for children, wildlife conservation schemes, and a noisy sports area (for model aircraft, pistol shooting and so on) sandwiched between the new A5 link road and the railway where they will give least

Lakes have been created as amenities, with fishing sailing and waterskiing, as a bonus from dealing with the city's water run-off from buildings and

In the summer there are guided walks to places of interest led by park wardens, forestry staff and archaeologists and there are more than 650 local societies holding regular

it was decided to provide one golf course for every 30,000 people. Now it has been found that the present two are underused by the present \$6,000 population. So the city is working instead on the basis of one course per 50,000 and will wait until the population is much larger before providing a third.
The astonishing thing about Milton Keynes is not simply that the leisure facilities which are there or to come are comprehensive. It is that simultaneously



Keynes philosophy that play is as important as work. Each has a theatre and extensive facilities

tories and roads, the city has on Abbey, Stratford-on-Avon and its doorstep, or is providing, many other places for outings. its doorstep, or is providing, many unusual amenities which you would not find all together in any other area. And, of course, they cannot help but attract companies to move to Milton Keynes, and

people to live there. For example, Milton Keynes: of holding 100,000 people at outdoor events, has been built by the corporation from excavated spoil on the site of a for-

mer tip. The first events there, a Country Fair which drew 25,000 and a kite and balloon Range festival, were held recently.

Mr. Salte An 18th century windmill has been renovated as an attraction, and there are plans to open to Not everything that has been done so far has worked out exactly as planned. For instance,

also in the city area. The Stables, part of the home where Cleo Laine and John Dankworth live and hold musical events, also happens to be within the boundary, so local people can hear Moura Lympany, Leon Goossens and Joyce Grenfell, as well as the Dankworths themselves. The venture receives an annual grant from the corporation to meet its administrative costs.

And easy driving distances sive. It is that simultaneously away are the Downs at Dun"A site has been earmarked tic a social life as the
with building the homes, facstable, Whipsnade Zoo, Woburn in Central Milton Keynes for a manage in the new city.

the huge range of projects are Mr. Brian Salter, 39, Recreation Unit Manager at the development corporation, and Mr. Peter Jones, 52, Director of Recrea-tion at the borough council which gradually will take over Bowl, an earthwork modelled on many of the schemes before the the Hollywood Bowl and capable corporation is dissolved in the corporation is dissolved in the mid-1980s. Both have go-ahead staffs and a very clear vision of the city as a place where work, prosperity and leisure go hand

Mr. Salter says: "Fourteen million people can reach Milton Keynes in an hour and a half by car. We would like to provide facilities here to make it a facilities here to make it a rest of the world. There are regional resort so that people thoughts of enticing a good will be attracted into the city. football team and the Milton "This would enable us to Keynes Chamber Orchestra provide a greater range of made its London debut in May,

Among the plans is the hope that Milton Keynes will be that, like any other place, living chosen to host the 1986 Commonwealth Games. "We are one of two English cities interested lists all the main events, but inand we have until August 16 to
put in a bid, though the bid is

drawn by the familiar attrac-

stadium and we would build a And for those who tend to garden centre children's amuse to ment pool there too if the watch TV or he to a put, if can ment park and a steak house. The stadium probably would be idea of using a nearby community workshop, where you can do hound racing instead of football and gray-hound racing in 50-metre one."
England's rominated venue for the Games is to be chosen this autumn (Birmingham is also interested). Then the decision on which county they will actually go to will be made when the Commonweath Games

Milton Keynes has been extremely fortunate to have the experience of Britain's old cities and the post-war new towns to profit from, so that many of the social problems could have arisen were

Federation meets at the 1980

defused in advance. Says Mr. Jones: "It would have taken years—into a second generation—to put right such problems, but by deliberately providing parks, meeting places, opportunities for community involvement and other facilities early on—often in advance of the factories—we have kept ahead of them all the time. There is very little evidence of community problems here.

#### Popular

"For example, the council built the two leisure centres, at Bletchley and Stantonbury, well before, in financial terms, they could be justified, instead of waiting for most of the population to arrive first.

"We put on a lot of events. Youngsters here have some where to go and people don't have to get on the train to London to find entertainment. In fact, we often have to ration tickets for our events because

they are so popular."

Both the corporation and the council have lively promotions departments with a keen nose for what people like. The world Kendo championships have been held at Milton Keynes: so has and table tennis. Andre Previn and the LSO.

the Czech State Orchestra, Sasha Distel, Julian Bream, the New-Seekers and Show Waddy-Waddy have all appeared there, not to mention the Royal Shakespeare Company and the National Theatre Company. The borough council's skills under Teresa Collard, its arts

and entertainment manager, have extended even to commissioning works from artists and musicians, with grant aid from the Arts Council, East Midlands Arts Association and the Eastern Authorities Orchestral Association. There are plans also to show

the best of Milton Keynes to the facilities for the people who live at St John's, Smith Square,

Street reactions from a few of the people in the city show it. A regular What's On guide put in a bid, though the bid is subject to central government aid which is not certain yet. "A site has been earmarked tic a social life as they can

And at that age going shywhere

The development of Central Milton Keynes will both solve the distance problem and bring many more activities to the city. Granada Theatres is negetiating with the corporation to build a big leisure complex right by the shopping centre to include cinemas, bingo, restaurants, a night club, amusements and

These facilities, to cost more than film, are expected to open progressively, starting in about 18 months time. And the cor-poration is already pencilling in other commercially run schemes next to the shopping centre, which are likely to include a

tional literature, is already lay-ing claim to the title City of the Frees. Once most of the attractions are there it might also merit the name City of

Leisure The fascinating thing is this Milton Keynes is being built at the very time that micro-pro-cessors and automation, the crises of our old cities and the shorter working week are raising unprecedented problems of how people could or ought to occupy their spare time.

So the planners' successes and mistakes in this new city are important. Milton Keynes at play is a blueprint for the 21st

Michael Strutt

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#### HE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

# lovel approach to echnology export

DAVID FISHLOCK, SCIENCE EDITOR

n world on to the more quite different idea.

Co-founder with Brooks is Paul Cautley director-general They called it the agrofertiliser factories etc. ger train overseas.

omplex, with its dependa high level of scientific t. Tisked total rejection more sense, they conclu-build such an agro-indus-complex in a developed and work out some cutting the developing in on the benefits. In ent, nothing was ever

a group of British busien is trying to get to grips te underlying problems in ig western technology on e primitive cultures. They formed a novel kind of association, which makes olic debut today. In fact, ore like a club, the handmembers appearing to prisingly free from susof each other's activities

club is called Technex technology transfer Its members have each 3,600. Not much, perhaps, ompany the size of John but a lot for one or two consulting firms among embers.

#### igeria irony

chairman is Ron Brooks, ercial director of John Research and Develop-an offshoot of the congroup which carries search both for the group inder contract, for other . Brooks, as a co-founder, to see the club making a s of joint consultation. nies with a lot of experi-We trust each other. We each other's strengths and together," says Brooks.

nically, the first attempt to together in this way pro-a report recommending ne client should forget his ia with a scheme for

"UPON a time (about ten entrepreneur was so impressed or relieved—that he promptly d out a grand scheme for asked Technex to undertake ag the technology of the another feasibility study on a

of Technex, who drove hard into far complex. It consisted the problem of technology trans-industrial package of fer when he worked for British ir power plants, desalina. Rail in the early 1970s, trying plants to provide fresh to market its advanced passen-

A marketing man, he talks of ced technologies would the "personal chemistry" enough desert bloom to created between club members from the community of the that is making it work. He stresses the care taken to see a some American econothat prospective members will began to point out the not react in any way that reacts; how much it would duces efficiency. You can soon boulld a big complex tell, he says, from whether a cratch in conditions with club meeting generates interdustrial traditions; how actions between individuals or whether the new boy simply steals silently away.

Through its Transmark subore primitive culture. It sidiary, BR is represented among the club members. Others include Imperial Foods. the United Medical Enterprises (the government-backed group that sells medical technology and services overseas), the PE Consulting Group and SIRA Institute, a scientific instrument research company. Much of the club's strength lies in its wide diversity of interests.

#### Foundations

How this expertise can come together to provide a technology package tailored precisely to the needs of a particular developing nation is best illustrated perhaps by the idea of the National Industrial Technology Centre. This is a package designed to lay the foundations of a national standard of quality control and quality assurance for a country with no industrial

For Britain, with its long tradition of industrial standards founded with the help of such old-established research centres as the National Physical Laboratory, it is, in Paul Cautley's words, "something we should be very good at doing."
Initially, the club worked up a detailed proposal at the invi-tation of the United Arab Emirates. This was a country with no basic standards for the industrialisation programme it was planning. Laing, SIRA s of Joint consultation. was planning. Laing, SIRA erpresenting a group of Institute, the National Comput ing Centre and the British Hydraulics Research Association collaborated to produce a ne ganored to the industries — petrochemicals, metals, food, paper, building materials, etc.—the UAE was

planning, for a site in Abu Dhabi. But the whole plan fell He was a businessman-in foul of an economic recession. Undismayed, Technex has set ling a new soft-drink factout to market very similar Technex was able to schemes to other countries. igate more deeply and Currently it is working on the description of the descripti

PLANNING is just a waste of time nowadays—especially so-called strategic planning. In today's world there's no point looking further forward than a one or two-year budget. Anything longer-term is just not worth the paper it's written on."

Thus the head of a Dutch company, angrily attacking his fellow participants in a discussion group at this year's Davos Symposium of the European Management Forum. He was especially damning about the complex and sophisticated "strategic management" system operated by a German firm, whose managing director claimed that, now more than ever, it was essential to the

That, in a nutshell, is the sort of controversy — sometimes fierce, always confused—which now occurs almost weekly at the many symposia, fora, seminars which senior managers meet to exchange views and be briefed on the latest management ideas and techniques.

successful running of his busi-

Regardless of the official agenda for these gatherings, what every top manager wants to learn is how best to cope with the increasing pressures of today's business environment, and in particular with the unprecedented uncertainty caused by a long list of factors: see-sawing inflation and exchange rates, stagnant economic growth, incompetition, mushrooming government regula-tions, and the growing politicisaof relationships with mers and suppliers, especially in the Third World.

OVER THE last eight years General Electric of the U.S. has developed and installed a strategic planning system which, more than any on either side of the Atlantic. has served as a model for companies in all walks of

It was an extremely painful

profits slump in the late sixtles which prompted the world's leading electrical engineering group dramati-cally to improve its planning —the opposite reaction to many panie-stricken managements at the same time and since, who resigned themselves to stumbling from one short-term crisis to another. The key to GE's problems at the start of this decade and to the planning system which has belped resolve them—lies in the simple word "competition," according to Mike Allen, a former McKinsey consultant and now GE's vice-president Corporate

By underestimating the capabilities and reactions of its competitors, GE had rendered itself highly vulner-Writing in the McKinsey Quarterly, in unusually forth-right terms for an "insider"

Strategy.

were in unexpected trouble. In the computer business, the strategy of a worldwide frontal assault against IBM had failed. And in the Christopher Lorenz launches a series of articles on planning

# Corporate strategy in an age of uncertainty

systems which in the 1960s seemed to promise so much; they have become content-or resigned-simply to reacting to events. Others have made little different things to different change to their "long range" management gurus, consultants planning systems, except for and academics. In particular, shortening their horizons, from some say, five to three years.

The most sophisticated-not necessarily just the largest, as seeing one as a sub-section of the Davos discussions showed—the other, while other people have flanked this approach with use them interchangeably to battery of techniques and process. services, designed to help them construct a long-term planning some of the confusion — both framework (often still covering ten years or more) within which surrounds planning, we are develop a competitive strategy they can react rapidly to external events, and in a con-

Since the 1973 oil crisis, as form of planning which suits it to call "the strategic manage-these imponderables have multi- best is needlessly confused by ment process" — the way top plied, each one compounding the jargon; not so much the very and senior executives decide. last, company managements fact that specialised terminology direct, delegate and control the have responded in different ways is used to describe concepts or generation and allocation of to the fundamental question of techniques, but that there are resources within a company.

how to control the future of no generally accepted meanings their businesses.

Some, like the Dutchman at Davos, have become totally disentanted with the planning "operational." and even apparational which in the 1900 entire simple states. ently simple terms "budget," "forecast" in industry or banking. An ideal example of the sort

management gurus, consultants so-called "strategic planning" some writers distinguis "strategic" and "corporate distinguish planning from each other. the introduction of a whole new describe the total planning the firm to determine specific In an attempt to dissipate

today launching a series of in a given product-market situaarticles on planning's role as tion; third, integrating the a key part of what consultants unique skills and resources with

plan.

To avoid the academic

approach of most planning textbooks, many of the articles have practical, up-to-date experience

of confusion surrounding plann-Any one of these will mean ing is provided by one of the -that is, on effective planning processes. The author is James Whittaker of Georgetown University, in the United States. Strategic planning consists of several stages, he says: First. 'analysing the environment of threats and opportunities; second, evaluating the firm to determine the key skills and

establishing corporate objec-tives for where the company wants to be at a certain time; and, fifth, creating a number corporate policies, plans, programs and tasks successfully accomplish the objectives that were established." Many planners and executives

would object that the setting of corporate objectives should, in fact, come before the planning process starts. This would seem o depend on whether the objectives " (which some companies would call "goals") are to be vague and extremely long-term — almost a quasicharter for the company's existence — or whether they are the detailed variety envisaged by Dr. Whittaker, such as "the objective of this company is to attain a 10 per cent compound growth rate in earnings per share for the next three years." In this case, to be realistic, the real and semantic -- which resources that could be used to objectives/goals can only result from the planning process.

In the hope that lessons can be learnt from the mistakes of the past, the Management Page

the failure of many of the planning systems which were introduced in the Sixtics under the influence of the "scientific management" lobby. It will argue that the problems were more deep-seated than is often suggested.

The series will then discuss, in general terms, how the effects of these past mistakes can be certain world, realistic longterm plans can be effectively formulated and implemented. Several new planning "tools" will also be described, as will : the differing approaches to plan-ning of leading companies in Britain, Continental Europe and the U.S., starting (below) with General Electric.

Basic to the whole series are the following points:

• Forecasting is merely an... (inevite''v uncertain) adjunct of the p inning process, but is often confused with it:

• There should be a clear distinction between planning and budgeting — the process by which short-term plans are quantified;

Extrapolation of past performance is a totally inadequate. the uncertain Eighties and Nineties, however adequate itmay have seemed for some companies in the Golden Fifties and

\*Strategic planning in a-rapidly changing environments by James B. Whittaker. Published by Lexington Books.-Teakfield 14d., 1 Westmend, Farmborough, Hants, GU 14 7RU, England. Tel. 0252-519221.

# General Electric's painful re-think

commercial aircraft engine business, a "suicidal" price battle with Rolls-Royce had deferred profits for a number of years.

● A three-month strike—the worst in 15 years—had strengthened competition. It had reminded customers how dependent they were on GE for certain businesses and had forced them to look for other suppliers. And it had given competitors a chance to show what they could do. "It took us many years to regain the share and price levels lost in that strike," says Allen.

• GE's results were showing a pattern of profitless growth. "Our business plans had been successful in achieving

So, from 1962 to volume." 1969, sales had grown strongly. But profits were below expectations, and return on investment "was sliding dangerously." . In other words, to anote Allen, "GE's bottom line was pany's business planning and

control systems were among

the best in American industry. he claims. "But they still had to be better." Hence the examples: Two of GE's major ventures GE Chairman's instigation of major programme to improve strategic planning, which also led to a fundamental corporate reorganisation (into over 40 "strategic

extensive changes procedures.

Among the numerous points in Allen's article, two stand out as especially relevant to executives in any type or size of company: the crucial importance of concentration on essentials, and the need for top management involve-

"One of the major dangers in the complex planning cycle of a multi-business company is that attention can be diffused," says Allen. "Far more issues are raised than can ever be resolved; and many more questions are asked than there is time to answer well." At GE, he says. it has been found that the definition and communication of a few common and important challenges each year helps to prevent the dilution

of planning effort.

Recognising this danger,
Allen continues, the Corporate beginning of every year, what the year's three or four top strategic planning challenges are to be. (The Corporate Policy Board comprises GE's top ten executives, including senior vice-presidents for corporate technology, finance, planning and development.) GE's Chairman ensures that this handful of "top strategic

the general management conference, which is attended by the group's top 400 managers in the first week of January. For the last few years, says Allen, one of these priority challenges has always focused on a specific competitive question. He cites the following examples for each of the

last four years: • 1975 — ECONOMIC COLLAPSE. "In January of that year, we were in the middle of an economic collapse . . GE's earnings were to drop 39 per cent in the first quarter. So we were collapse-orientated."

The company's corporate staff studied the history of business collapses to understand what had caused them. Their major conclusion, Alien reports, was that business collapse frequently followed a combination of aggressive competitor attack and a period of under-investment in planning challenges issued to all (GE's) businesses that year was to make a thorough review of all our product lines and business situations

from this perspective."

• 1976 — MICROPROCESSORS. This planning challenge dealt with competition of a different type: the technological impact of micro-

BY OUR LEGAL STAFF

electro-mechanical component and equipment products. "Every business plan that year had to consider the opportunities that microprocessors offered the business and the competitive threats they posed.

• 1977-INNOVATION. The

concern of GE's chairman "had been fuelled by a num-ber of competitive product innovations that could bave been made by our own businesses—the microwave oven. the EMI brain scanner, the food processor." businesses that year were required to review their technical resources, product leadership and innovation strategies in the light of such competition.

• 1978 - FOREIGN COM-PETITION. One of the four priority planning challenges

concerned "the flood of foreign competitive investment — principally Japanese and European — into the U.S. market. Each business examined its relative vulnerability to attack, and the various offensive and defensive options," As Allen says, each of these

competitive threats is both important and pervasive (throughout a wide range of businesses). One of the many instructive facets of his article is its demonstration that GE has begun getting to grips with new challenges such as microprocessors and innovation—much earlier than many of its competitors, especially those outside the United States. After all, this is one of the prime purposes of its elaborate planning

\*The McKinsey Quarterly. Autumn 1978. Available from national offices of McKlusey and Co. In London: 74 St. James's Street, London, S.W.1. Tel: 01-839 8040.

# **Company Secretary's Review**

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understand there is a way of leasing land which avoids the problems of the tenant having the rights to continue after, say, a two year period. Can this be

You would need to let the land for grazing or mowing only, for a period which is less than one

year. Thus a letting for such purposes for 364 days is appro-

#### Nominee shares

I formed the X Pension Trust into a company in order to pay pensions to a number of former employees. Is it a fact that this Memorandum of Association

chase as nominee shares to be held in the name of the company as nominees with the assent of The company will only be able

to act as you propose if its company may not agree to (not Articles) empowers it to accept cash with which to pur- do so. The name of the company

suggests that the Memorandum will not contain such a power but perusal of the document will show whether that is so.

el responsibility can by the Financial T answers given in ( All Inquiries will by post as soon

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# Soaking the rich for art's sake

BY ANTHONY HARRIS

star evening will soon cost £20 is the most impressive proof I exceeds the supply. have yet seen that the new Conservatism works. Tax a man up to 83 per cent, and he feels injured even as he buys his example — thus following the heavily-subsidised opera ticket rent-rebate principle of subsi-—if he can get one, that is. The dies for people, not things. For tickets have always looked a the rest of the public a raffle remarkable bargain to visitors on top tax rates of 60 per cent or less. Cut his tax, and he will buy his dearer ticket with a smile. And the result is just, as well as cheery: the tax cuts of the rich should be financed, where possible, out of the subsidies of the rich.

#### Subsidies

What an outrageous idea, the reader may already be think-ing-the idea that opera is a rich man's pleasure. It is unfortunately, at least so far as grand opera with grand singers is concerned, largely an outrageous fact. The subsidies, it may be argued, are in any page instigned by the fact that case justified by the fact that opera everywhere is subsidised. That is unfortunately another outrageous fact, so far as grand opera is concerned, and a silly one. As surely as mortgage relief drives up the price of houses (compare the price of houses in the U.S., where there is no relief, and a largely sensible property tax), so opera subsidies drive up the fees of star singers. Not to mention, by way of comparability, the wages of stage hands.

The fact is, of course, that the finest of opera is in short supply, and subsidising any-thing in short supply is pure folly. What is not creamed off by the stars goes to the ticket touts. It is an outstandingly poor use of public money, and Mrs. Thatcher and the reluctant Mr. St. John Stevas have set an example which ought to be followed.

#### **Privilege**

I can already hear the regular lobbiers for opera subsidies arguing that the new policy will simply mean that opera-going becomes a privilege of the rich. This is nonsense. Even on grand occasions, there are many seats

THE WARNING from Covent a general subsidy to hold down Garden that opera stalls for the prices is a good use of public money, for again the demand

> It would make better sense to cut prices for special groups only - music students, for more realistically, a ballot among the Friends of Covent Garden, at a higher subscription -would raise more revenue without pricing enthusiasts out of the house.

> However, all these arguments apply only to the grand, sold-out occasions. This leaves a mass of activity which it is perfectly sensible to subsidise touring productions, performances of works by living composers, and indeed the ordinary pleasurable repertory runs which are the staple diet of the ordinary opera lover.

The economic argument in favour of subsidy for these productions is a bit negative; it is mainly that a subsidy is not clearly unnecessary, and is not counter-productive (by way of bidding up fees). The real case is historical and artistic. Subsidy is as old as opera. It used to be called patronage, and as a taxpayer I am happy to join in-provided that I can get a

#### Aggressive

Even subsidised nights. though, could be run fairly commercially. The ticket which includes "free" food and drink is one possibility; people seem prepared to pay more for free wine than wine sold by the glass. On big gala nights -Patrons' nights, perhaps? free champagne could be really expensive.

The authorities at Covent Garden, then, should not be too apologetic about their seat prices. On big occasions, they could even be aggressive; for they are lighting a path which we are learning to tread again The poor may always be with us, but the rich have been comparatively rare for some time Now that they should become more common, we should applaud every competitor to the casinos and night life operator in the house which will not in persuading them to part command grand prices. Even enjoyably with their money-

#### A NEW GENERATION OF HYBRIDS

# Iris: hang the cost and start the chase

in mid-June in Britain is to best done in mid-July, a month tend to be at the mercy, instead, of a heavy summer storm. They escaped this year, and I seldom recall such a show of flower.

#### Short season

That said, I am not sure that elder and replant. Like me, you would probably have left a few roots behind, so the ground

son for the iris. To see them every two years or so. This is want as many as possible. Elsewant as many as possible. Else-where in Europe, the sun tends else, not least one's prepara-tions for a summer holiday. to push the flowers too quickly Splitting is a necessary task past their best. In Britain, they with the big-bearded varieties; you replant the outer fans, the younger stock, and throw out the rough old parents which have flowered, the inner ring. If you grow a plant, you want to be able to look after it properly. The iris takes time.

However, for the edge of a pond or a damp patch of ground. would bother with the usual there is a newish group of sorts if I was planting up a new, hybrids which are so spectacular smallish garden. Their season that I have decided to try some is short, the weeds among their and hang the costs and the rhizomes are a nuisance, though consequences. You have to hunt you can poison them by using around for them, applying to a weak solution based on Sima-specialists such as V. H. zine between the clumps before Humphrey, 8. Howbeck Road, the weeds' seeds germinate in Arnold, Nottingham, who has early April. Sprayed carefully, surmounted some awful dry a film of poison seals off the spring weather and still dazzles surface of any bare earth and visitors with his new varieties. prevents the germination of The ones for damp ground are annual weed. Ground elder all Japanese varieties. Stock is among the clumps themselves always scarce and prices at a is more of a problem. The only level which can be disregarded is more of a problem. The only level which can be disregarded defence is to dig the whole clump up, shake out the ground surfax. But I would remind you of the excellence of the plain you would probably have left a yellow flag, called pseudoacorus, few roots behind, so the ground the green and gold-yellow elder would start all over again. striped leaf of pallida variegata That is one reason why I have and the magnificent blue-mauves

UNTIL LAST weekend's heavy was the pleasant but lengthy the buge Blue Cape, which costs name, the sort of extravagance mand less space. Hence there white with darker markings, rain, it had been a superb seators task of splitting the clumps a mere 40p a rhizome from which is otherwise reserved for is much value in the many small. It has made a big name for the iris. To see them every two years or so. This is Mr. Humphreys. Blue Cape is racing greyhounds. It leaves best on a slightly acid soil—a me wishing I could afford more azaleas and primroses by the waterside. The others also like to stand on the edge or boggy margins of a pond. They multiply quickly, so you can build up your own large stock.

pink flowers are marked with yellow and violet. None of the others to which I refer will cost you less than £3. They must be fed as heavily as possible and never allowed to dry out They are not, however, the early in the season. Hence you

#### **GARDENS TODAY**

BY ROBIN LANE FOX

best. These are now found sink them in a pot or box, like among named Japanese sorts a water lily, in a fishpond or which amazed me on my first full meeting with them. Star at Midnight has exceptionally dark, midnight blue petals set off by six bright yellow signals. Stranger in Paradise is not so tall and has fewer petals, though the flowers are also large. The colour is raspberryrose with a white standard. Cherry Blossom Lion (sakurayishi in its Japanese form) fades from pink through pink- would make a special effort for a specialist is far wider than white to white and is perhaps them. Beds of bearded irises the standard violet, white or the most remarkable. Leave Me on dry land, however, have yellow in a garden centre list.

stream. They can cope well with standing water. But when the leaves begin to die down it is worth fishing the pot out of the water and allowing it to dry off. They are just about hardy unless, perhaps, you allow them to freeze up under water.

These big-flowered varieties are worth the expense, though still little known. As they grow in such unusual conditions I would make a special effort for disbanded an iris bed; another in the siberica range, not least Sighing takes first prize for its many competitors and can com-

edges of a flower bed. Flowering earlier than the big varieties, they see you over the gap between the last of the aubrieta and the first paeonies.

#### Conspicuous

There are two main groups. the Lilliput, which is up to a foot, and the miniature dwarf, which stops at about eight inches. Some of the Lilliput varieties have flowers which are too large for their clump, to my eye. But they are also the most conspicuous. All are worth huving. Here, I can only remind you that the range from Green Spot is a waxy green- anything else.

irises the range of which is still itself in this sage of green unfamiliar to gardeners. Grow- flowers. If is a clear shower ing up to a foot high they come which shows up well. I think in every sort of colour. They it is a distinguished plant, multiply freely so if £2 seems essential for any wall, alogs, or a high price for one, remember edging. It flowers abundantly, that you could have another Cherry Garden is large-flowered dozen after two years. They but a fine cleatered which lives like the opposite conditions to up to its name. Arnold Velot the Japanese types, lime, sun is early dark thus and set the very useful in a raised bed. a Flare is an intentiable creamy small front garden, at the top vellow. Wheever mained Liftite small front garden, at the top, yellow. Whoever pained Little of a dry wall, between paying. Doggie can at least be forgiven stones or in clumps along the for having bred a pretty walls, edges of a flower bed. Flower stitched and marked with redpurple.

> There are others aplenty, not least Irish Sea, which contbines light green and Asia blue. I mention these partly because I think they are good value and reliable; also because I hope to surprise you. Too marty gardeners think that they can only enjoy irises as you see them so memorably at Kew, massed in hig beds which gleam for a formight and then shrivel down to old leaves and hind-weed. These smaller varieties are at the forefront of modern breeding and no less exotic in their colour. Buy the best and pay the price. You can fit them all in, split them and enjoy the particular colouring of modern

# Five wins in prospect for Hern

DICK HERN, for whom Salisbury has been a happy hunting Stakes may go to Roehampton, ground, may collect several prizes at the two-day meeting beginning there this afternoon. Hern is likely, to win the

Bibury Cup Handicap with

#### RACING

BY DARE WIGAN

Lindoro, a bay colt by Sun Prince, who won over the distance at the last meeting bere think Lindoro is capable of conceding 6 lbs to Essex Prince. a rather fortunate winner of a small handicap at Windsor last week. In the Wevhill Stakes is represented Hern´ Sovereign Rose and judged on her recent close second to Claerwen at Newbury, it would probably be a mistake to oppose

a grey colt by Sharp Edge, which Hern trains for his wife, Sheilah. Hern will probably event with Whitehall Bridge provided their colt by Auction Ring is able to contain Columnist from Jeremy Tree's Beckhampton stable. Finally, Hern saddles Balinger

in the Pembroke Maiden Stakes. Balinger's first racecourse appearance was at Newbury at the end of May when he finished a close third to Tyrondero and Beau Reef, three lengths ahead of his more fancied stablecompanion, Lindoro. It was therefore no surprise that Balinger was bot favourite to win his next race, at Sandown 11 days later. In the event he was no match for Crystal Queen, Sacrilege and San Marguerite. But I expect him to do better here.

I hope and believe the Gwen Blagrave Memorial Handicap

Division I of the Shrewton will go to Shady Nook, owned and trained by Mr. Herbert Blagrave, who for years has given £1,000 of the prize money for this event, named after his Sheilah. Hern will probably late wife. Shady Nook, who also land Division II of this fulfilled one of his owner's ambitions when winning the Newbury Summer Cup a fort-night ago, carries a 4 lb penalty for that success. But with S. Raymont, who rode him so well that day, claiming the 5 lb allowance, he seems to be weighted

#### SALISBURY

1.45-Rochampton 2.15—Maiden Pool 2.45—Lindoro\*\*\* 3.15—Shady Nook\*\* 3.45-Sovereign Rose 4.15-Whitehall Bridge

5.15—Balinger\* RIPON

3.00—Wild Goose Chase 4.00—Rheinstar 4.30—Sandon Lad

#### here, though, it is not clear that and preferably in a good cause. (except London). 4.20 Play the following times:— School (as BBC 2 11.00 am), 4.45 Scotland—5.55-6.15 pm Report-6.25 Help! 6.35 Crossroads. Vision On. 5.10 Go With Noakes. ing Scotland, 12.05 am News and

Weather for Scotland. -5.10-5.40 pm Bilidow-

Northern Ireland-4.18-4.20 pm Northern Ireland News. 5.55-6.15 Scene Around Six. 12.05 am News and Weather for Northern

11.00 Play School.

2.01 pm For Schools, Colleges, 2.40 Wimbledon '79, 7.55 Mid-evening News, 8.05 Salute to Chaplin: "Gity

9.25 Peasants, Politicians and Power. 10.40 Wimbledon highlights. 11.30 Late News.

News. 1.30 Crown Court. 2.00
After Noon Plus. 2.25 The Love
Boat. 3.20 About Britain. 3.50
Hello, Gond Afternoon, Welcome. 4.20 The Sonty Show. 4.45 The Famous Five. 5.15 The Practice. 5.45 News. 6 00 Thames News.

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5.00 sm As Radio 2. 6.00 Dave Lea Travis. 8.00 Simon Bates. 11.31 Paul Surnot. 2.00 pm Tony Blackburn. 4.31 Paul Gambaccini. 7.00 Radio 1 Mail-bas. 8.00 Andy Peebles. 8.50 News-teat. 10.00 John Peel (S). 12.00-77 am As Radio 2.

"7" rm As Redio 2,
VHF Redios 1 and 2—5.00 am With
Radio 2, 2.03 rm Pete Murray's Open
House (S) (continued from Radio 2
12.30 pm). 2.30 David Hamilton (S),
4.30 W ogoners' Walk 4.45 John Dunn
S) 7.00 With Radio 2, 10.00 With
Radio 1, 12.00-5.00 am With Radio 2,

S.00 am News Summary. 5.02 Tone Brandon (S). 7.32 Terry Wagan (S). 10.03 Jimmy Young (S). 12.15 pm Waganers' Walk. 12.30 Pers Murray's Jnen House (S) (continued on VHP). 2.03 Wimbledon 79, including 4.30 Waggoners' Walk. 7.02 The Organist Shtertains (S). 7.30 Sports Desk. 7.33 Listen to the Band (S). 8.15 The Magic of the Musicals (S). 9.02 Noel (S). 9.55 Sports Desk. 10.02 The Impressionats. 10.30 Hubert Gregg says Thenks for the Momory. 11.02 Brean Matthew with Round Midnight, including 12.00 News. 2.02-9.00 am You and the Night and the Music with Richard Clogg (S).

RADIO 1

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1 1053kHz/286m 3 1215kHz/247m 1069kHz/275m 3 & 90-92.5vhf stare

4 200kHz/1500m 4 & 92.95vhf

7.00 Don't Just Sit There. 7.30 Coronation Street. 8.00 Victor Borge in Concert. 9.00 Khyber. 10.30 "Kid Blue," starring Headlines. 6.15-6.30 Report West.

Dennis Hopper.

12.20 am Close: Personal Choice with Richard Briers. All IBA Regions as London except at the following times:-ANGLIA

1.25 pm Anglia News. 2.00 House-party. 5.15 Winner Takes All. 6.00 About Anglia at the Royal Norfolk Show. 10.30 Royal Milton Keynes. 10.40 SWAT. 11.40 Power Without Glory. 12.40 am The Big Question.

BORDER

1.20 pm Border News. 2.00 Houseparty. 5.15 Gambit. 6.00 Lookeround Wednesday. 10.30 Lare Film: "The Keegans." 11.50 George Hamilton IV. 12.20 am Border News Summary.

CHANNEL 1.20 pm Channel Lunchtime News and What's On Where, 5.15 Emmerdale Farm, 6.00 Channel News, 6.15 One Man's Music. 10.28 Channel Late News, 10.32 Doctors' Private Lives, 11.30 George Hamilton IV. 11.55 News and Weather in French, followed by Epidouse

GRAMPIAN 9.20 am First Thing. 1.20 pm Grampian News Headlines. 5.15 Emmer-dale Farm. 6.00 Grampian Today. 10.30 Roflections. 10.35 The Wadneseday Western: "The Hired Hand," starring Poter Fonde. 12.30 am Grampian Late Night Headlines.

GRANADA 1.20 pm Cartoon. 2.25 The Outsiders. 5.10 The Undersea Adventures of Captain Nerno. 5.15 Crossroads. 6.00 Granada Reports. 6.30 Father, Deer Father. 10.30 SWAT. 11.30 A Question of Sex.

'My Lover, My Son." starring Romv Schneider, Donald Houston and Dennis Schneider, Donald Houston and Dennis Waterman.
HTV Cymru/Wales—As HTV general Service except: 1.20-1.25 pm Penawdau Newvddion Y Dydd. 4.20-4.45 'Rydw I Am Fod. 6.00-6.15 Y Dydd. HTV West—As HTV General Service except: 1.25-1.30 pm Report Wast

SCOTTISH 1.25 pm News, and Road and Weather. 2.25 The Family. 5.15 Popeye. 5.20 Crossroads. 6.00 Scotland Today. 6.30 Survival. 10.30 Report (Glue sniffina). 11.00 Late Call. 11.05 Barnaby Jones. 12.00 George Hamilton

**SOUTHERN** 1.20 pm Southern News, 2.00 Houseparty. 5.15 Betty Boop. 5.20 Crossroads. 6.00 Day By Day. 6.35 Scene Midweek (South-East Area only), 10.30 Southern News Extra. 10.35 Mannix. 11.35 Pro-Celebrity Darts.

TYNE TEES
9.25 am The Good World followed
by North East News Headlines.
1.20 pm North-East News and Lockaround, and Where the Jobs Are. 2.25
Code R. 5.15 Gambit. 6.00 Northern
Life. 10.30 TV Movie: "Dearn
Sentonce." 12.00 Inside Business.
12.30 am Epilogue.

ULSTER 1.20 pm Lunchtime. 2.25 The Entertainers. 2.55 Untamed World. 4.18 Ulster News Headlines. 5.15 Cartoon Time. 8.20 Crossroads. 6.00 Ulster Television News. 6.15 Look and Sec. 30 Hogan's Heroes. 10.30 Wednesday Movie: "The Family Way," starring Hayley Mills. John Mills and Hywel Bennett. 12.30 am Bedtime.

WESTWARD 12.27 pm Gus Honeybun's Birthdays.
1.20 Westward News Headlines. 5.15
Emmerdale Farm. 6.00 Westward Diarv.
10.28 Westward Lata News. 10.32
Doctors' Private Lives. 11.30 George
Hamilton IV. 11.55 Faith For Life.
12.00 West Country Weather and
Shipping Forecast.

YORKSHIRE HTV
1.20 pm Report West Headlines. 1.25
Roport Wates Headlines. 5.20 Crossroads. 6.00 Report West. 6.15 Report
Wales. 6.30 Emmerdale Farm. 10.35

4 CARN-THEE

1.20 pm Calendar News. 2.25 The
Day My Grandfather Died. 5.15 Gambin
6.00 Calendar (Emley Moor and Belmoni
editions). 10.30 SWAT. 11.30 Devine
Country. 12.00 England Their England.

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putsate, while topics, yet retaining their
baubles, bangtes and beack," E. News.
At Wimbledon Theatre till 50 June. ORTUNE 836 2238, Eves 8.00. Maix. Thurs 3.00. Saturdays 5.00 and 8.00. AGGATHA CHRISTIE SON MURDER AT THE VICARAGE FOURTH GREAT YEAR GARRICK, CC. 01-836 4801. 8vs. 8.0. (sharp), Wed. 3.00 581 5.30 and 8.30. DENNIS QUILLEY IN IRA LEVIN'S NEW THRILLER DEATH TRAP
"THREE CHEERS FOR TWO HOURS OF VERY INGENIOUS VERY FUNNY, MARYELLOUS ENTERTAINMENT." S. Tel. "VERY EXCITING." Fin. Times.

GLOBE THEATRE. CC. 01-437 1592.
Evgs. 8.15. Wed. 3.00, Sat at 6.00, 8.40,
ALISON CHRISTOPHER
STEADMAN CASENOVE
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with wit." Now, Last 2 weeks ends
July 7. THEATRES

HER MAJESTY'S. CC. 01-930 6606. Evenings 8.00. Fr. Sat 5.15 and 8.45.
The New Fats Waler Musical Show.
A RIOTOUS HIT. Daily Mail.
"JUBILANT. THE BEST PERFORMANCE OF ANY MUSICAL IN LONDON." Obs. OF ANY MUSICAL KING'S HEAD, 225 1916, Dar. 7. Show 8 FEARLESS FRANK by Angrew Davies. "Best British musical for ages." F. Times

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LYRIC THEATRE. C. 01-457, 5636.
Evs. 8.00, Thurs. 3.00. Set. 5.00, 8.50.
PLOWRIGHT FRANK:
DIFFERENCE FOR THE YEAR.
COMEDY OF THE YEAR.
PLOTAL TRUMPH. Evenings News.
AN EVENT TO TREASURE." D. MITTOT.
LIMITED SEASON ENDS JULY 21.
MAYFAIR.

NATIONAL THEATRE, 'S' CC. 928 2252.
OLIVIER (open stage): Ten't and Tomor,
7.30 sharp. UNDISCOVERED COUNTRY
by Arthur Schaltzler in a version by
Tom Stoopard. by Arthur Scholtzler in a version by Tom Stoppard.
LYTTELTON (prosceptum stage): Today Tom Stoppard.
LYTTELTON (prosceptum stage): Today Tom Stoppard.
To Jow price mail & 7.45 CLOSG OF PLAY new play by Simon Gray. Tomor 7.45 The Philanderey.
COTTESLOE (small and/forjum): Mon. to St. at 3.00 Mchael Herr's DISPATCHES adapted for the stage by Bill Bryteen and the company (perhaps not suitable for children).
Extellent cheap scats from 10 am day of part, all 3 theatres. Car park-retaurant 928 2033. Credit cerd bookings 928 3052. Air conditioning.
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HER TEENS WHAT THE SUTLER SAW.
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Season subscription only now booking. General bookings opens June 25th.

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"A MOMENTOUS PLAY. I URGE YOU TO SEE IT. IT. STIRS THE HEART AND ACTIVATES THE MIND LIKE NOTHING ELSE IN LONDON." GUARDIAN.

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MY ATTENTION HAS NEVER WANDERSO LESS AND I HAVE NEVER FELT SO CONSCIOUS THAT EVERYONE IN THE MOUSE WAS REACTING AS THE MOUSE WAS REACTING AS THE MOUSE WAS REACTING AS THE MOUSE WAS

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BBC 1

7.05-7.55 am Open University (Ultra high frequency only). 9.38 For Schools, Colleges. 10.45 Colleges. 1.30 pm Bod and Breakfast. 1.45 News. 1.55 Wimbledon 1979: The third day.

9.00 News

21

ACROSS I Large glass vessel (8)

5 Part of let to follow in Japanese cult (6) 9 Want to include a vicar within your first guarantee

12 Female relative starts entertaining in French resort (5) 15 Food permit to desecrate (9) 17 Brand and deal in foreign 13 Mixed crop, unlet, but possibly fat (9)
 14 Overshadowed notice in out-

from (7) 19 Soldiers stood and rested (7)

wind to stimulate into action

swallow up (6) 27 Fastidious old priest caught

28 Cast as a yarn may be (6) 29 Rushed scratch edition (S)

DOWN

South-East only).

8.10 The Omega Factor.

10 Game controller could be impure (6) 11 Trained ringleader in plot

house (6) 16 Follows sailor and what sailors may take direction

18 Soldiers stood and rested (7)
21 Left a learner in entrance (6)
22 Design mean purpose (6)
23 Vehicle is appearing in high
wind to stimulate into action
25 We Original in the dir 21 Left a learner in entrance (6)

25 immature and it could be common (5) 26 Oriental flung mixture to

in appointment (8)

I Joining up with south-eastern branch of airforce 2 Arab gets a crop to thrash

5.55 Nationwide (London and

6.15 Wimbledon 79. 7.40 Lena Zavaroni and Music.

9.25 Professional Boxing. 10.15 Americans. 11.05 Tonight.

11.45 The Sky at Night.

12.05 am Weather / Regional News.

England—5.55-6.15 pm Look North (Leeds, Manchester, Newcastle);

All Regions as BBC 1 except at

4.18 Regional News for England F.T. CROSSWORD PUZZLE No. 4,006

Chaplin. 11.45 Fox Watch. LONDON

3 Harangue partly for a test

4 Being extraordinarily decent,

I led astray (7) 6 Fried steak for German

Opening of negotiations by

citizen? (9)

currency (9)

in paper (8)

right inside (4)

7 I pry around row (5)

public on river (8)

18 Piece broken off by ragmen

20 Forceless person is to dip

Solution to Puzzle No. 4.005

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Proffer a gift now (7)

Wales—5.10-5.40 pm Bilidow-car. 5.55 Wales Today. 6.15 Heddiw. 6.35 Join BBC 1

(Wimbledon). 12.05 am News and Weather for Wales.

Midlands Today (Birmingham); Points West (Bristol); South

Today (Southamoton); Spotlight South-West (Plymouth). BBC 2 6.40-7.55 am Open University. 10.20 Gharbar.

Lights," starring Charlie

9.30 am Schools Programmes. 12.00 The Adventures of Rupert Bear. 12.10 pm Stepping Stones. 12.30 The Sullivans, 1.00 News, plus FT Index. L20 Thames

BBC Radio London: 1458kHz, 208m & 94.9vbf

### Solution of the part of th RADIO 3

9.00 News. 9.06 The Living World.
9.35 God in My Language, 10.00 News.
10.05 Gardeners' Question Time. 10.30
Delity Service. 10.45 Morning Story.
11.00 Listen in. 11.45 Liston With Mother. 12.00 News. 12.02 pm You and Youre. 12.27 What Ho! Jeaves.
12.55 Weather; programme news. 1.00
The World at One. 1.40 The Archers.
1.55 Shipping forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.05
Afternoon Theatre (5). 3.50 Choral Evensong (5). 4.35 Story Time. 5.00
PM: News magazine. 5.50 Shipping forecast. 5.50 Shipping forecast. 5.55 Shipping forecast. 5.50 Shipping forecast. 7.50 Choral Evensong (5). 4.35 Story Time. 5.00
PM: News magazine. 5.50 Shipping forecast. 7.55 Weather: programme news. 8.00 News. 6.30 The Enchanting World of Hinge and Bracket (S). 7.00 News. 7.05 The Archers. 7.20 Checkpoint. 7.45 When the Guns Stopped Firing: A contrait of Armistice Day 1918 8 45 Analysis. 9.20 Kaleidoscope, 9.59 Weather. 10.00 The World Tonight.
10.30 Round Europe Ouiz. 11.00 A Rook at Redding. 11.15 The Financial World Tonight., 11.30 Today in Parlis-

Conital Radio

PADIO 4

600 am Grobem Dens's Brookfast
Show (S) 900 Michael Assal (S)
17 00 Dave Cach (S) 300 pm Rober
Today, 8.25 Shioping forecast, 5.30
Today, including 6.45 Prayer for the
Day; 7.00, 8.00 Today's News; 7.30,
8.30 News headlines; 7.45 Thought for
the Day, 8.35 Yesterday in Perhament.

Constituting Am Grobem Dens's Rober (S)
17 00 Dave Cach (S) 300 pm Rober
18 00 am Grobem Dens's Brookfast
18 00 am Grobem Dens's Brookfast
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65 Amphi seats avail, for all perfs, from 10 am on day of pgrt. VAT surcharge of 6p in the £1 from July 1.

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A NIGHT IN THE UKRAINE
"Superlative non-stop comedy." E News,
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"IT'S IMPACT HIT ME LIKE A
THUNDERBOLT FROM JOVE." THE

LANGUAGE BLAZES WITH WIT AND

INTELLIGENCE AND IT'S THEME

ELECTRIFIES." Daily Mail.

"WHEN WE HAVE LAUGHED AT IT'S

WIT, BEEN HOLD IN NIE GRIP OF IT'S.

DRAMA AND LRYENSED OF IT'S.

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CHARGE, BODIES STILL RAISES ECHO

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Best Musical of the Year 1978. E. Sten. WAREHOUSE, Doomar Theatre, Cover Garden, Box Office 836 6408, Roya Shakespeare Co, Eves. 7.30 (Wed 7.00) David Rudfin's HIPPOLYTUS, "A gift from the gods." D. Tel. All seat 52.10, Students £1.70 in adv. Adv. bkgs Aldwych. £2.10. Students £1.70 in adv. Adv. bigs Aldwych.

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8 pm and Fri. and Sat. 6 pm and 8.40 pm
FINAL WEEK
The RIO Extraveganzs
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2 PLAYERS (A), Wk. amo
5.00, 8.10.

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THE LEFT HANDED WOMAN (A), Props
delity 2.00, 4.10, 8.25, 8.45. 1.35, 3.45, 5.55 8.10.

CLASSIC, Letosiner Square, 01-930 6915
DEATH COLLECTOR: (0), 2.55, 6.05
9.15; MEAN DOG BLUES (0), 1.10
4.20, 7.30.

CLASSIC FOLY, Determ Circus (linony)
Regent St.), 5.77; 2.83, lane fonds
Vanessa Response Julia (A), 4.40, 8.51
Shirley Medalma, Anne Bescroft TURNING POINT (A), 2.30, 5.40. Shifley Maclaine, Anne Bancrott TURNING POINT (A), 2.36. E.47.

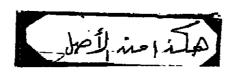
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Grand Pix Cannes 73 This TREE OF

WOODEN C. Cones 73 This TREE OF

"To a cone of the cone of t

( صلد استد للصل



#### THE ARTS

#### rtre Royal, Drury Lane

# Dionne Warwick

y ANTONY THORNCROFT r three years of semi-

UK to give them a nudge. g by her Sunday night s in London she is still bered by many reverens who are quite prepared her the ovation she thinks

Warwick is tall, elegant routine.

Warwick is tall, elegant routine.

For lovers of the show busiin her white leggy dress icking group wears dowdy ation, using subordinate Just when you think

And in her 17-year career she nent Dionne Warwick is has had plenty of them. Un-taking records, and tour fortunately the best, songs like UK to give them a nudge. The look of love. That toring feeling. Close to you, deserve create cabinet negotiations. more than a minute's airing: it is like showing children sweets only to snatch them away again. For the rest it is selling the new album, produced by Barry Mani-

ness dream who need a star to orbit around it was all very fine. Miss Warwick glitters. But and carries on like one, her dependence on Baccarach putte over the top in her and David songs, and an aura which suggests remoteness like confetti and "engag-rather than greatness, make her conversation" rather than more difficult for the nonmore difficult for the nonbeliever to warm to. Probably underneath the glamour there ips the prepared lecture is plenty of anguish but the igs for over half an hour material and the demands of the t a break 23 of her old job prevent it from coming to the surface.

#### il Exchange, Manchester

#### he Three Musketeers! by MICHAEL COVENEY

red by Planchon, the Harry Secombe, and TV down the ages. Now it theatre's roof. turn of Derek Griffiths, re damage.

as' roistering fable denay deserves, irreverent ent all right, but this is rt of response in which nner of overblown crimes the amiable farrago of a a boy let loose in a and instructed to see stuff and nonsense. ne can do with; it.

approach might have paid adsomely, as all reckless sometimes do. The t on me was about as ul as being compelled to I my own funeral. The is that of Queen Ann's mond Leppard in October, 1980, but joins the orchestra this interests of Cardinal lieu and the would-be eleer D'Artagnan.

Downes spent some years at Carden where he is con-

should always be wheeze is used to end the show.
ous of jokey musicals with D'Artagnan's man,
art in the foyer and an-Planchet, orchestrating a finale in the programme that at Louis XIII's ball at which will probably be one Cyrano de Bergerac, a continual Dumas has been gate-crasher throughout, by Planchon, the receives a literal cum-uppance ry Secombe, and TV by being hoisted into the

Robert Lindsay is a sympaimber black comedian, thetic and too infrequently Braham Murray, that athletic D'Artagnan, ably sup-Jewish director, to inof Terry Wood (Porthos), Derek Griffiths (Athos) and Trevor Peacock (Aramis). But the hectic pace of it all leaves no room for manoeuvre on the acting front, let alone anywhere else. mmitted in the name of and the promising work of nt fun. Mr. Murray, who the amiable farrago of Milady and Gary Waldhorn as ags, unmemorable num-nd Pirandellian excesses, tinually and noisily subjected tinually and noisily subjected to a welter of inconsequential

> Conductor appointed Edward Downes is to be the next principal conductor of the BBC Northern Symphony

He will take over from Ray-

eteer D'Artagnan.

Show only coheres in its

Downes spent some years at
Covent Garden, where he is conrate first-half musical ducting the world premiere of up in which the company, ly enough, high-kick their owards an excuse for end the agony. The same Covent Garden, where he is conducting the world premiere of "Thérèse" this season. For four years he was musical director and chief conductor at the Australian Opera.

#### Television

# Truth in the hypothetical

have always been considered of a hypothetical case by a fairly serious and regurgitate number of people who might them as frothy light entertain- genuinely be involved in such a ment. Religion was instanced, scenario, under the leadership There is, however, a current series which shows that television's habitual process of popularisation does not necesinsignificance in the minds of out case studies between serious viewers. lawyers, civil servants and jour-

The Nation proves that it really is still possible to find new ways of fulfilling the television producer's dream of reaching comparatively big audiences with informative and even (in the very best sense) educational material which, thanks to its form, is acceptable to people who would probably never dream of seeking out such matter in any other form.

Transmitting the six-part series at the dead hour of noon on Sunday no doubt ensures that viewing figures remain lower than they might, but that is presumably not the fault of producer Brian Lapping or his team or indeed Granada, a company which has a unique history of innovation in the field of serious

They have been using the title State Of The Nation on and off since 1966 and have employed various techniques under that umbrella: Roger Graef did one of his "fly-on-the-wall" films about the drafting of a parliamentary Bill for instance, and in Chrysler And The Cabinet Lapping and Norma Percy used well-informed journalsts to re-

Now, still exploring the terriory which has always interested him most—the areas in which trade-offs occur and decisions are taken affecting the ways we govern ourselves and make rules for the organising of our lives-Lapping has introduced another technique which is, so far as I know, quite new to tele-

suck into its maw matters which and to some extent acting out

scenario, under the leadership and probing of a "moderator." After Watergate the tech-nique, known as a "Harvard Hypothetical," was adopted by sarily involve a reduction to the Ford Foundation to thrash nalists in sessions organised by Fred Friendly. The irony is that Friendly, former colleague of Ed Murrow, ex-head of CBS News, and doyen of American news, and doyen of American current affairs producers, did not himself think of applying the technique to television. Lapping and Granada (with Frendly's blessing) did, and highly successful it has turned out to be

> The first two programmes, on privacy and on whether journalists would or should break the law "in the public interest," proved that because of the purely theoretical nature of the exercise a hypothesis can occasionally be pursued to an absurd end: last weekend for example William Deedes, editor of and remarked that Paul Foot, former editor of Socialist Worker and now back with Private Eye, was being "uncharactheatre, teristically chicken" in deciding he wouldn't. It was, as Foot unexpect himself remarked merrily, an inconceivable outcome.

accepted the pretence at disfor one reason) and with a their attitude actually was on a from a criminal.

series of BBC1's The Editors
was striking. Where real
events such as the Thorpe case
cause endless pussy-footing
about cheque book journalism
or the morality of putting witnesses under contract, participants in the hypotheticals are
much more inclined to admit
openly: "Well, if it's a question
of stealing a document or bribopenly: Well, if it's a question of stealing a document or bribing an employee to get this story then I think I'll pay the money — in the public interest of course."

There are the effect by current affairs coverage of the appearing to contradict humself regional problems of London it is the sort of telling remark and the south east as distinct series, a claim which seems which the programmes are full from national and general quite impossible to deny. Anyone of course."

Thanks to the moderator continually setting up dialogues either between two of the 15 or so participants seated around a horseshoe table or between himself and one of them, and thanks to his periodic injections the Daily Telegraph, declared of parrative development ("Now (in so many words) that he let's make it a little more diffiwould publish and be damned, cult for you; suppose the judge is also taking cocaine . . ") there is often the tension of the duel which occurs in

The comedy from various unexpected quarters, but in particular from Derek Jameson, editor of the Daily Express, who Mostly, however, the reverse has proved occasionally to be has been true: participants have too keen a crowd-pleaser and sometimes suspiciously pious, guise offered by the "hypo-but also able to encapsulate thetical" nature of the discus- what others have spun out endsion and have talked as they lessly. During the videotaping very rarely would on tele- (which I watched last weekend) very rarely would on tele (which I watched last weekend) vision about real events of the second batch of three (for fear of legal action, hypotheticals which will be broadcast in the next few weeks, frankness which would be most the question arose of whether a unexpected in a studio discus-journalist should pass to the sion were they to be asked what police information acquired

certain subject instead of res- David Nicholas, editor-in-chief

asked what their imagined re- others agonised over whether to action would be in certain help the police (hypothetically) imaginary circumstances.

and thus ruin the source of The difference between Sun- information or not, some conday's hypothetical and the dis- cluding that the dilemma would cussion later the same day be solved if only the police between Clement Freud, would insist on the material Peregrine Worsthorne and others on the first of a new since the source would dry up series of BBCl's The Editors even if the journalist's constraints where word strength was salved it is pro-

The most unexpected qualities which the format brings with it are drama and comedy. with legal training and dramatic flair. The session moderated by Paul Sieghart who practised at

a confidential ministerial memo- analysing. Nanonwide during

emphasised again, this time in and the report suggest wryly a report from the TUC which that: Dick Francis, the BEC's Director thinking that the first half of News and Current Adairs Nanonside as seen in London (whose liberal common sense theticals is impressive). report says quite rightly that the n. "BBC television is failing to half."

the London bar for 13 years was extra half hour weekly pro- have wondered why the BBC certainly the most enthralling gramme each but that London does not appear even to attenuate of last weekend's, for instance, and the south east—biggest of anything to match or to taking as it did a hypothesis all the regions with 17m people compete.

Last week's column com- Developed at Harvard Law ponding to the convention in the of ITN. Hugo Young, political starting with a reporter on the —has to make do with the first plained that television tends to School it involves the arguing hypothetical where they are editor of the Sunday Times, and Financial Telegraph discovering half of Nationacide. And by gramme devotes only one third The relative and increasing of its items to real regional strength of ITV current affairs matters; two thirds are of compared to the BEC's has been national and general interest

> "One might be forgiven for as a participant in the hypo-dumping ground for items which The are not thought good enough for the nationally broadcast second

later spoiled the effect by current annual problems of London 171 s source.

it is the sort of telling remark and the south east as distinct series, a claim which seems which the programmes are full from national and general quite impossible to deny. Anyone intest items emanating from one who has seen LWT's excellent I out on Programme and the south east as distinct series, a claim which seems which the programmes are full from national and general quite impossible to deny. Anyone the series are full from the series of London and the south east as distinct series, a claim which seems the series of London and general quite impossible to deny. Anyone the series of London and general quite impossible to deny. Anyone the series of the ser It points out that there are regularly, or who watched the eight BBC regional television first in a new series of Thames stations in England responsible for producing daily 25-minute programmes of news and regional current affairs, and an extra half learn regular with the Olympic Games, must



Frank talkers—an "uncharacteristically chicken" Paaul Foot, left, and a comic Derek Jameson, right, with

# Spitalfields Festival

not only celebrating the reviviforcibly in 1729 as it does in 1979, but at least in the 18th century its neighbouring build-ings were the affluent houses of silk-weavers. Now the area seems almost derelict; but ap-pearances are deceptive. Those prosperous silk-weavers' homes are still there, thanks to the fact that grinding poverty of the 19th century ensured that the buildings were neither demolished nor updated. The whole area is a magnificently dilapidated 18th century village. Christ Church now stands on the borders of a GLC-de-signated conservation area, which local inhabitants and enthusiasts are doing all they can to restore. The church, now reopened for worship as well as music, symbolises the rebirth

the current Festival of English Antony Ransome's hass of Finzi sounded nicely relaxed; the Bridge.

Aldeburgh Festival

groups from The Oxford Book

of English Madrigals (Pears conducting the Wilbye Consort),

the effective Clarinet and Cello

Sonata of Phyllis Tate and the Household Music of Vaughan Williams. These three preludes on Welsh Hymn Tunes were

played on this occasion on flute,

clarinet, alto saxophone and cello. They came up more sub-

stantial than one remembered.

The composer's apparent in-

difference to instrumental colour seemed at the time a

limitation, though one that

would not have shocked his

Elizabethan forerunners. Now

one can admire the contrapuntal

skill with which he weaves his

fantasies on the strong, singable

instruments) is based on the

melodies.

firm, full but cool voice. Joined pretty, unaffected soprano: but long song or "dramatic recita-Judith Nelson showed herself in a different class altogether in a solo cantata. She introduced its empty sentiments skittishly, which made me fear she would send it up, but in the event she savoured every note with a

tones superbly: the accompanying group of Timothy Mason (cello) and David Roblou (harpsichord) sounded beefy by comparison, though their sense of ensemble with violinists Nicola Cleminson and Vreni Gould was, like the whole con-NICHOLAS KENYON

f the area. this promising festival may see Richard Hickox is directing its way to giving more promin-Music, and in addition to con-certs by his own groups, he has compiled an attractive, if mis-performances included in this compiled an attractive, it miscellaneous, set of programmes. On Monday the Wren Consort gave a Handel recital, and made a much more favourable impression on me than the last time I reviewed them here.

Ensemble's programme on Monday evening-the same English form of shamisen music. a It is not clear how closely Finnissey wishes us to follow the parallels; perhaps not at all, for though his score retains something of the poised neutrality of shamisen, coolly beckoning, the sharp edges and fierce contrasts are all but

tive piece, 20 minutes long; the title and the story apart (the cise, detached: the voice alone takes up the tale first, a long wide-ranging melisma, seem unfolds punctuated, encouraged, as not, and Ashkenazy knows her Schumann and Strauss from personality. soothed, and once entirely dominated by instruments. There are some pretty conversations, and some high, ghostly thin textures rather beautifully laid out, and skilfully combined. on the one hand for string trio and on the other for flute, harp and clarinet. Not powerfully memorable, but neat, engaging

#### The new work of the Nash

The 250th anniversary of pomposities of his sea-storm Christ Church, Spitalfields is cantala were put across with a fication of Hawksmoor's archiby Helen Ransome and Judith programme they gave in Bath
tectural masterpiece. A grand Nelson in a trio, and the last month—was Goro for tenor
church surrounded by grime the Masque from Comus, one and six instruments by Michael
and poverty is never a pleasant could admire the blending of Finnissey (b. 1946). Goro is sight: Christ Chuch must have two very different female based on a Japanese "nagauta' dominated its surroundings as voices. Helen Ransome is a — form of shamisen music, a small-scale seriousness which impelled total concentration. The building caught her pure

cert, calm and precise. Perhaps in future seasons

ence, and programme time, to

Facade 2 by Ronald CRICHTON

Party "is as carefree as the old

Valse," which it resembles.

The "March" and the quite new "Madam Mouse trots" are delightful gains. So long as Sir

William will hold a pen and

Edith Sitwell's poems don't give

out, there seems no reason why

we shouldn't have Façades 3 and

4. Pears as reciter was softly and

sibilantly suggestive—sometimes

more free with the rhythm than

speakers who aren't singers

would dare to be. The players. in Tate, Vaughan Williams and

Walton, were Richard Adeney,

Thea King, Stephen Trier,

Crispian Steele-Perkins, Charles

Tunnell and (notably well-

served by Walton's percussion

parts) James Blades.

year's Publisher's Choice concert fell to the Oxford University Press and covered two

The treat of the evening was the first performance of Walton's has been marked by two late-

birthday and repeated on South the Music for Strings of Bliss Nocturne.

smoothed away.

It is a smooth, cool, attrac-

music, securely played: Alastair Thompson was the excellent tenor soloist.

DOMINIC GILL

# Söderström/Ashkenazy

by DAVID MURRAY

Sunday's Celebrity Concert how to make them tell brilliantly their stores of faintly precious offered Elisabeth Söderström without for a moment covering miniatures—"Der Nussbaum." with a score of songs and Vladimir Ashkenazy as her accompanist. They make an attractive partnership, though other moods which Miss Söder-given the short programme one ström fixed precisely in colour could not stifle a regret that and phrasing, "Here all is well" solo. The centre of gravity was a last song about floating, placed toward the end, in a enchanted laughter she was no title and the story apart (the group of Rakhmaninov songs. text is sung in Japanese), there Miss Söderström and Ashkenazy is no perceptible "Japanese have been recording their way flavour." The manner is prethrough that composor's work. through that composor's work, and have found a happy rap-port; they make an impressive case for the range and depth ingly (though many breaths are of his songs. The piano parts taken) a single breath; the rest are of course virtuosic as often

his partner's light soprano.

Ashkenazy contributed nothing was raptly suspended, and in ceded by four shapely Chaikosky songs, including a soberly moving "None but the lonely heart."

Besides the comfortable gende Herzen " (here more melancholy of Rakhmaninov's mocking than infectious). Ashmost familiar vein there are kenazy kept the accompanimen; small and silvery, and the singer imparted the sones on a barely supported thread of tone. Apart from the rarely heard "Calbaca gagen Sturm und Regen" of Strauss there were interesting less delicately suggestive than novelties—two in Danish, one Ashkenazy in the shimmering in Shelley's English—by Delius: postlude. This group was pre- Intensely romantic, and betraying some discomfort with the constraining minutes of the song form. Little of all this was matched to the scale of the Earlier Miss Söderström had, Royal Opera, but the artists it seemed, deliberately chosen sustained it by sheer force of

# Larly Death That's Life! make all the difference. The difference between



#### Nobody wants to give birth to a baby who is going to die. Yet worldwide one A few Maltings highlights Bank by the London Sinfonietta, with a drop or two less panache from the second full week. This Since then Walton has provided and a pinch more of grey matter Since then Walton has provided new music for three numbers and "re-worked and re-ordered" the rest. The vein of satirical, poetic fantasy still runs freshly. "Water Party" is as carefree as the old and a pinch more of grey matter. Bridge, among pre-war British Br and a pinch more of grey matter.

withdrawn. The combination produces an unlikely mixture of Liszt's Malédiction and Elgar's Introduction and Allegro, with the solo quartet banishing the piano to the back of the plat form. Britten might well, had he wanted to, have made some thing of Apollo. As it stands, the has been marked by two late—thing of Apollo. As it stands, the night concerts and a programme short work is a curiosity with confusion with the existing shared with his pupil Britten. bursts of typically bright sound: Second Suite and subtitled "A This produced the first performance." Some formance of an Allegro moderate worthily celebrated in Death in further unscrambling may be for strings which, I understand. Venice. Steuart conducted the helpful. The new work (eight may or may not have been english chamber Orchestra, numbers for speaking voice and intended as part of a projected whose strings were nobly intended as part of a projected. Venice. Steuart conducted the symphony for string orchestra. sonorous. Michael Roll was the Façade Revived given by Lina However that may be it is a planist in Young Apollo, Peter Lalandi at Plaisterer's Hall two good, stimulating piece, in Pears, in Subdued but often years ago for Walton's 75th temper and texture not unlike eloquent voice, sang the Britten

So did the Suite for String Orchestra of 1909-10, though here an almost Teutonic delight in elaboration and thoroughness sounds at odds with the straight forward appeal of the matarial There was also the first per-

Britten work. Young Apollo, a fanfare for solo piano, string quartet and string orchestra, was written for the CBC and given once in Canada in 1939, ther

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Wednesday June 27 1979

# Capital on the move

days is not difficult to explain; on the contrary, on the eve of an OPEC meeting and a sum-mbit of the developed countries, and of large official and unofficial capital movements, there a repeat performance. is a wide choice of stories which can be made to fit the facts. German dollar sales as part of a tighter monetary policy, reserve switching by OPEC members, rumours about oil rices, forecasts of U.S. growth, half-year window dressing by American commercial banksall have no doubt played a role. The market has jerkily balanced

#### Intervention

However, the fact that difficulties were to be expected dnes not mean that they can be shrugged aside. The market movements in anticipation of the next stage of the oil crisis are a warning of further difficulties to come; and some of them ought to be avoidable. In a world in which current account developments inflation rates and movements of investment capital are hard to forecast, the market has more than enough uncertainty to digest. When these underlying trends are readily swamped by more ments of short-term capital, and often of official capital, the resultant exchange rate changes can be and have been perverse and disruptive. The experience of recent years gives no ground for supposing that official intervention guided simply by supposedly superior guesswork is any cure for the disease. can esily make it worse.

#### Little used

Looking ahead to an era of higher oil prices and enlarged producer surpluses, certain problems can be identified in advance. Indeed, they have a familiar look, because they were largely correctly identified in 1974. They are, first the need to provide means by which the investment needs of surplus countries can be satisfied without undue disruption of the exchange markets; and, secondly, means by which the weaker economies in particular can be provided with balance of pay-

THE marked instability of the the international banking system exchange markets in recent proved able to intermediate these flows on more attractive terms. However, as the Governor of the Bank of England has recently warned us, it would be dangerous to rely too heavily on

The persistent borrowers' market in international banking is prospectively a worry. The market has been floated on a sea of funds provided partly by excessive central bank interventions, but credit-worthy lending opportunities have not appeared at the same rate. Some alternative facility, or perhaps some will be needed simply to avoid undue banking risk. A facility which also provided for smooth currency substitution for official

Such a facility will not stand much chance unless it meets the needs of the potential providers of funds: the OPEC countries—or at least those of them interested in helping to them interested in helping to Britain's manufacturing industrials. must have a bigger voice than in the past; but a first initiative could quite appropriately come from the Tokyo summit.

#### Severe strains

At the same time, the summit could well give some attention to developing more orderly monetary relations between themselves. The massive interventions of recent years—and especially of 1978—have left last week that the Treasury was forecasting 2m unemployment which is still unproved under real stress, it is a fundamental point that domestic policies are tary. The fact that such a pre-the real source of adjustment. diction, even if only rumoured. and that intervention simply

Experience has already thrown up one problem: within such a system the "weaker" currencies - those requiring high interest rates-tend to be paradoxically strong. This could create severe future strains. It is possible that the technical proposal from the IMF staff that intervention should be are and there is no doubt that targetted where necessary on the trade unions are far more forward rather than spot rates concerned about pay rises for over 3 per cent since then, would produce a more rational

# Britain faces a bad rise in unemployment

BY ANATOLE KALETSKY

throughout the tenure of the Labour Government and during the recent general election campaign, is due to make a comeback as one of Britain's biggest political and economic problems.

Once the Labour Party and its trade union supporters overcome their guilt feelings about having allowed a near-trebling of unemployment during Labour's period in office, they may start drawing attention again to the grim social effects of unemployment. These are now arguably worse than ever, form of international credit despite a slow fall in aggregate guarantee on suitable conditions, unemployment over the past unemployment over the past two years, which is reflected in June's unemployment figures, published yesterday. Long-term unemployment is still rising and the regional disparities in un-the exchange market side of the problem. the regional disparities in un-employment are becoming increasingly marked.

Most important, it now looks as if there is much worse to come. As the world braces ittry, the Opposition will not even have to seek arcane statistics to embarrass the Government on unemployment. It is now almost certain that the aggregate unemployment figures will soon start rising again. And the electorate may be shocked out of its current indifference to unemployment when it dis-covers just how high these figures are likely to be.

the European monetary system, over the next few years was only weakly disputed by Mr. James Prior, the Employment Secredid not make the headlines may suggest that the character of unemployment has changed since the 1960s.

The Black Economy and the social security system between them may have made mass unemployment more tolerable than it used to be. Perhaps moonlighting makes the figures look worse than they really their members in work than

clysmic unemployment. Over the 20 years up to 1973 the labour force had grown by an average of 69,000, or 0.3 per cent per year, while productivity had increased by 2.5 per cent a year, so that an average annual growth rate of 2.8 per cent was required to keep the number of jobs available grow-ing in line with the labour force. But in 1974 GDP actually fell, for the first time since the Korean War, while the 1914-18 war. So despite a fall of a handful of craftsmen with growth of output all produced growth in the labour force in the rate of increase in female exactly the right experience can above-average increases in

was bound to rise above 2m by 1977. Instead it peaked in September, 1977 at only 1,435,000.

surprisingly modest level of unemployment was due to an unprecedented collapse in productivity throughout British. industry and especially in manufacturing, which was hit hardest by the recession. Many of the industries that sus-tained the biggest falls in pro-ductivity after 1973 were also the ones that faced the toughest foreign competition, because their output fell most abruptly as world trade declined. Be tween the third quarters of 1973 and 1975, for example. output per employee fell by 3.9 per cent, but in vehicle manu-facturing it fell by 7.6 per cent plummetted by 23.4 per cent.

# **Productivity**

Why did industrialists accept huge falls in productivity instead of shedding surplus labour after 1973? Government job subsidies, which currently support about 250,000 jobs, account for only a small pro-portion of the 700,000 of 'excess" employment, especially since many of the jobs sup-ported would probably still have existed without government assistance. The costs of declar-ing redundancies are high, but have not grown significantly in real terms since the late 1960s. so this factor cannot explain empioyers' increased reluctance to sack their workers. In fact twice as many jobs were eliminated in the relatively mild recession of 1971 as in the current slump. Political pressure to preserve jobs wherever possible was probably mainly responsible. Two of the biggest victims of the slump, British Steel and British Leyland, were nationalised industries.

Whatever its causes, the collapse in productivity after 1973 accounts for the very hesitant decline in unemployment since its peak in September, 1977. Although GDP has grown by employment has risen by about 1 per cent and unemployment

swelling the labour force since 1973, the generation of men damage they cause because the who are now coming up to respecialisation of engineering

NEMPLOYMENT, which accelerated to over 200,000 a employment, the working popu-has been on the sidelines year. Past productivity trends lation is expected to go on grow-as an issue in Britain indicated that unemployment ing by around 200,000 a year until 1985.

> Tragically, unemployment is set not just to rise, but also to become increasingly painful. The aggregate figures give no idea of the changes in the nature of unemployment that the length of the present recession has produced. Even though aggregate unemployment has been falling slightly, the num-ber of people unemployed for over a year has been rising steadily to 347,000, which is more than the total level of unemployment in the mid-1960s. Long - term unemployment

> recession the situation has been worse because almost the whole of the increase in unemployment, at least for men, since 1974 has been due to its increasing duration. The number of men actually joining the dole queues each month has remained remarkably stable, around 230,000, since the early-1970s, but the median period they remain out

of work is now over 20 weeks. When employers shrink from making their existing workers redundant, young people just joining the labour force naturally suffer most. Since 1974 unemployment has been rising much faster among teenagers than among adults. By 1977 male teenage unemployment, excluding school leavers, was over 9 per cent, even though government job subsidies have helped employ 150,000 teenagers. Since then it has fallen. But in March this year there were 31,000 school-leavers still looking for their first jobs after nine months on the dole. This is three times as high as the pre-

Sharp regional differences in unemployment, which are be-coming more pronounced all the have obviously exacerhated the social costs of unem-ployment. They have also made unemployment less effective as a moderator of wage claims in relatively prosperous areas. The preference of both employers and union leaders for national pay bargaining means that local with relatively junior white-unemployment conditions are collar staff. Craftsmen also inadequately reflected in pay have the misfortune to work in inadequately renected in pay have the misfortune fo work in levels. London and the Southhighly cyclical industries that offer little job security. For only 3.7 per cent, still suffers example in 1977 mechanical notoriously from labour shortages. At the last count there per cent of all redundancies in were 1.09 vacancies for every Britain, although it employed skilled engineering worker up. On top of the poor economic prospects, a demographic quirk employed in the South East. But workforce. will exacerbate unemployment in the North, where unemploy-

shortages give little idea of the

always goes on rising after the turning point of aggregate un-employment. But in the current THERE ARE 185,300 adults houseman. He has not discovered I was drawing without jobs in North sought wider training. The more money in benefits,"

are limited.

26

160

150

140

130

1,200

sometimes lead to hundreds of employment and that nine of redundancies among unskilled workers and even factory productivity growth. closures. Despite this, unions often resist attempts by introduce employers to introduce accelerated training on the job or to take on craftsmen trained at government skill centres, rather than through apprentice-

At the same time qualified craftsmen are giving up their trades. The most important for this is narrowing differentials. But surveys have shown that craftsmen are also discouraged by the lack of promotion opportunities and the second-class status of skilled manual workers, even compared

Resistance to new technology over the next five years. In ment is 8.4 per cent, there were has also probably aggravated nationally competitive, Britain addition to the large number of teenagers born in the late 1950s and early 1960s who have been Any aggregate figures of skill normally created more jobs than achieved either by a direct wage normally created more jobs than or, init displaced. A study of 82 industries carried out by the who are now coming up to respecialisation of engineering Department of Employment tirement is the exceptionally trades, reinforced by restrictive last year showed that the 10 small one born during the practices, is such that the lack industries with the fastest 1914-18 war. So despite a fall of a handful of craftsmen with growth of output all produced

West England, the arche- North West has many like he says. typal industrial region him. His unemployment is "Two or three times One of them is Ray, a 27- voluntary, in the sense a week he sets out in year-old, with a wife and that he chose to leave the search of a job. He draws

them had above average rates of

The cause of unemployment is

simply that current demand for

British goods is far too low to

keep the present working popu-lation efficiently employed. If

productivity had gone on grow-

ing after 1973 even at its relatively sluggish historic rate.

either unemployment would now be over 2m or Britain's national

income would now be much

higher than it is. Instead Britain

has suffered the worst of both

worlds-unacceptably high un-employment and economic stag-

Some economists blame imper-

fections in the labour market-closed shops, abuses of union

power and minimum wage laws

high and productivity and out-out too low. Others blame tight monetary and fiscal policies for

restricting demand, though they

admit that precarious trade

balances gave the Government little choice. In effect the two

approaches are not very dif-

ferent-to make industry inter-

-for keeping real wages too

nation.

controls.

GDP/Employee

Total Unemployment

Unemployed

FOR MORE THAN ONE YEAR

two children aged 8 and 5: job, he believed he could £39 a week in benefits and he has now been out of find another. "I was tak-claims that the jobs offered work for 2 years. What ing home £32 a week and were worth no more than ever skills he possesses on that sort of money it £40.£42 a week after tax. They are was impossible to keep a His wife does not work: encompassed by experience wife and two children, "she is a housewife," he gained as a driver-ware even two years ago. I then says.

> ployment and only a sharp fall in real labour costs would normally produce such an increase in industrial activity. Hence Mr. Wynne Godley's view that unemployment would only be reduced to 1m by 1985 by an annual growth rate of 5 per cent, which would be unprecedented in British experience, coupled with general import controls and a huge programme of public sector investment over the next 10

Barring such extreme solutions, a surge in unemployment seems inevitable, though not to the levels of around 4m that Mr. Godley has predicted on the basis of the grimmest extra-polations of recent rates of import penetration and productivity growth. In the recession that is now looming, British manufacturing industry simply cannot afford to shelter jobs in the way that it did between 1974 and 1977. Most forecasters predict unemployment of around come thereafter.

The biggest challenge facing the new Government is to find achieved either by a direct wage an employment policy that will cut, by devaluation or, indirectly, by the denial of conmanufacturing industry from itssumer choice through import low productivity, low growth Unfortunately only a very future of high productivity, with sharp increase in output would be sufficient to make inroads and ultimately, perhaps even in into the current level of unem- manufacturing employment.

### provided with balance of payments finance while they adjust to the new situation. The BIF and other facilities The BIF and other facilities desired on the broader stage, devised in 1974 were little used: The bif in the members in word that the best of the unemployed. 1 per cent and unemployment about jobs for the unemployed. 1 per cent and unemployment better co-ordination of domestic policies is essential. 1 per cent and unemployment about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemployment balance while they adjust produce a more rational about jobs for the unemployed. 1 per cent and unemploymen devised in 1974 were little used; policies is essential. The Shadow

THE SHADOW of the Iranian of their two countries into a revolution hangs heavily over the Middle East as the most important current destabilising factor in the volatile region. Directly or indirectly, it has been responsible for the recent internal troubles in Iraq and Syria, the two Arab countries most shrill in their denunciation of President Sadat of Egypt and his peace treaty with Israel. These troubles have diverted attention from the failure of Egypt and Israel so far to agree even on an agenda for their talks on the autonomy of the West Bank and Gaza Strip.

of Iran

#### Border clashes

Iraq was always apprehensive about the Iranian revolution. The majority of its population are, like most Iranians, Shiite Moslems, but the Government is drawn from the Sunni Moslem minority. The regime feared that Ayotollah Khomeini would stir up resentment among the Shrites of southern Iraq, and that the flourishing separatist movements in outlying parts of Iran would lead the Kurds, who live in both countries, to revive their opposition to rule from Baghdad. These anxieties have been justified. The Iraqi Government has put some Shiite leaders under house arrest. setting off protest demonstratrouble from the Kurds. Its relations with Iran are now bad and there have been clashes along the border of the Iranian province of Khuzestan, the Arab-populated area where most of Iran's oil lies.

The troubles in Syria where more than 50 army cadets were recently massacred by Moslem extremists reflects the delicate sectarian balance in that country and the latent jealousy which President Assad's apparently secure regime has fostered among those who do not think they have done well by it, either economically or politically. But there is little doubt that the Moslem Brotherhood. which appears to be responsible for this and other attacks on the small Alawite sect which dominates the country, has drawn encouragement from the example of Iran to take violent

#### Setback

So it is not surprising that Iraq and Syria were last week unable to agree on the merging

unified state with a single government. Since this was goal they set themselves last autumn it must be accounted something of a setback, while the value of the remarkable rapprochement the two countries have achieved since then after years of almost relentless hostility is weakened for the moment by their internal problems. This weakens the Baghdad-Damascus axis which is leading the bloc of Arab states opposed to Presi-However this is not a reason

for Mr. Sadat to relax in the belief that he has successfully defied the Arab opposition to the peace treaty. Egypt and Israel are committed to reach an agreement by March next year on the form of autonomy for the Palestinians of the West Bank and Gaza Strip. There is no need to despair yet at the total lack of progress in these talks, of which few substantive sessions have been held, but the omens are bad.

Israel's negotiating team is unconstructive in attitude and unwieldy in composition, while the Israeli decision to build the Eilon Moreh settlement on the West Bank and its plans for two more settlements can be taken as clear indications of how little Israel really proposes to concede to the Palestinians. Egypt has few good bargaining cards left to use against Israel. As the year goes by the onus will increasingly be on the U.S., which is party to the talks, to step in and force concessions out of Israel.

For without some very substantial progress in resolving the Palestine issue Mr. Sadat cannot expect Saudi Arabia and the rich Gulf states to run the political risk of resuming the flow of aid, investment and tourist payments which account for the relative prosperity of the Egyptian economy. As the effects of Arab sanctions make themselves felt, especially on the increasingly important pri-Palestinian issue.

#### **MATTERS** Lost: that old concordate Barring a late-night peace move, there will be a droll manifesta-

tion of union militancy at the House of Commons this morning. The staff at Transport House, headquarters of the Labour Party, will be picketing Parliament in support of their pay claim. You may well wonder why the party's own disgruntled

unionists wash their linen so

openly. I learn that the National

Executive Committee is meeting

in the Commons at ten, and

there will be discussing (once more) the demands of the Transport House staff for an across-the-board 28 per cent. It would be an understatement to say that the NEC is perturbed at the lack of brotherly love within its own domain. The left-wing Dennis Skinner was yesterday saying that he would not cross the picket line. There is also a threat of resignation from Tom Bradley, chairman of the

Although he is himself a union-sponsored MP. Bradley is angry at the tendency of some NEC colleagues to capitulate. The Transport House employees—a melange of several unions - have been offered 21 per cent in two stages. The up jets.

staff negotiating committee of

picketing, if it goes ahead, will be part of a one-day stoppage, and strictly unofficial. The staff has already been expressing its fighting spirit by refusing to open NEC mail.

#### Eastern style

vate sector, Mr. Sadat may find As Mrs. Thatcher wings her way he does not have much to show | into Tokyo today she may well the Egyptian people for peace. be glancing quizzically through The stability of Egypt and all a large sheaf of papers distri-the other states in the Middle buted by the Japanese the other states in the Middle buted by the Japanese East is inter-related; with or authorities for the edification without the Iranian revolution of those attending the there can be no security in this Economic Summit. These crucial oil-producing area with include lengthy accounts of out a fair settlement of the Japanese economic policy, and profiles of the Japanese finance



"If it's Wednesday it must be Tokyo"

minister and 65-year-old foreign minister Sunao Sonoda. Mrs. Thatcher may, for instance, note that Sonoda has kept fit by getting up every day at 5 a.m. to practice kendo and karate: "At the same time, he is a con-noisseur of painting, and enjoys photography and the building of model trains. His most complete form of relaxation, however, is designing, building, and piloting remote-controlled model planes." When not cracking bricks or flying toy planes, Sonoda, it seems, pilots grown-

There is something strangely innocent, even touching about these documents, which wax lyrical (and are filled with glossy colour photos) when it comes to prime Minister Masayoshi Ohira. His lack of eloquence, one reads, has earned him the affectionate nickname " ah, ooh."

Oddest of all, to Western eyes, is a two-page eulogy by Ohira himself on "My Ideal Woman." which turns out-conventiently enough-to be Mrs. Ohira. She embodies, he says, many of the also be argued that medium-feminine virtues: "To others sized firms, such as Joselyne they may not seem to amount to Layton-Bennett, have suffered much, but ot me they are irre- a lot lately from the sophistiplaceably precious." Behind a traditional view of Big Eight. women's role which would have

London feminists manacling themselves to every available railing, there is a simple tenderrating, there is a simple tender-ness. "Watching my wife," writes the prime minister, "I cannot help thinking that the important role Heaven expects women to fulfil in this: to bring revitalising streams to a world grown parched and dry, peace and tranquility to turbulent and troubled times, gentleness and understanding to a harsh and bitter life. Another important job my wife has is to see to it that the house and garden are kept clean."

#### Chartered flights

How long will it be before British chartered accountants bow to the inexorable logic of internationalism, and start corporate advertising? The Institute of Chartered Accountants told me yesterday: "There is at present no relaxation in our rules." These rules limit firms to recruitment advertising, with the name of the recruiter in

discreetly small type.

But since last year, matters have been very different in the United States. Advertising by accountancy firms has become big business there—and the U.S. offshoots of British firms are perfectly free to cry their wares in journals which circulate here.

It is perhaps the U.S. example which is luring some firms into a more aggressive approach. I learn that there have been murmurs to the Institute about an advertisement by Josolyne Layton-Bennett. Intrinsically concerned with recruitement, it carries a bold headline, "Right from the start," and a surfer skimming over the waves.

That may be surfing ahead of the rest, but accounting has certainly been one of the growth areas in financial public relations in recent years. It can also be argued that mediumcated growth techniques of the

The Institute has been en-

gaged in somewhat desultory exchanges on the advertising dilemma with the Office of Fair Trading; I gather that the office has lapsed into silence for more

than a year. One of the biggest of the City's accounting firms, Touche Ross, has this month been joined by George Westropp, a financial public relations man. His title: Director of Public Affairs. He was at some pains. when I spoke to him, to stress that his purpose was in no way to test the limits of the Institute's "ethical guide."

"It is a different game alto-gether in the U.S.," he said. However, he conceded that some firms in Britain had become a little more aggressive.

#### Shouting tne

#### news

I have just discovered a solution to the dispute at The Times-not only that, my solution will have made the Post Office happy too. In the course of some desultory reading, I stumbled upon the case of the Telefon Hirmondo, "published" in Budapest between 1893 and 1930. The Hirmondo had 6,000 subscribers, each of whom had a phone line to its office and paid 18 florins (one penny) a day for twelve hours of access. A contemporary account (1927) described the process: "News is collected at the central office in the usual journalistic way by telephone, telegraph and reporters. It is reprinted by lithography on strips of paper six inches wide and two feet long. These strips are handed to "Stentors" or men with powerful and trained voices who read the contents into transmitting instruments in the offices, whence it flies in all directions to the ears of the

subscribers."
A published programme of times when the Budapest citizen could hear the Hirmondo's features. leaders and was closely followed.

Observer

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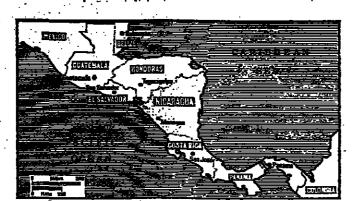
# End of the banana republics

By DAVID BUCHAN and HUGH O'SHAUGHNESSY in Washington-

CARTER like almost ncoming U.S. President past 20 years, undermake a fresh start to s with Latin America. lived up to it more st. But fear of Cuban on still strikes the U.S. system. The Nicara-risis has again raised m of "another Cuba," on the right-wing, but ely more veiled manner ely more
idministration itself. It
a question entirely
Washington and
similar prob-

12 alone: similar prob-uld easily arise in the with other Central a countries. oncern that victory for

udinista guerrillas in loody slugging match loody slugging maich failing dictator, Presi-lastasio Somoza; might power on the Central n mainland an avowedly gressmen and Senators had warned President v of the Soviet Union iban-sponsored or sup-activities—not only in but closer to home in ribbean and Central wer relations.



loan to Nicaragua on impeccable technical grounds, but for blatantly political reasons. However, when Nicaragua later this year was granted a standby IMF credit, the U.S. let it go through. Washington felt the IMF principle of political importality was never important pro-Cuban regime, impartiality was more important to Congress. Giving pal twist, he told cheer-pal twist, he told cheer-p

#### **OAS** fears

Most Latin American members of the OAS are pleased that the U.S. has at last seen -could gravely affect the obvious: that the Nicarawer relations.

Source led on to last they were disturbed by the idea of OAS military intervention, particularly one proposed by another the U.S. and in which it might bubled a call for Presiupled a call for Presi- take part. That conjured up istoza's immediate deghosts of U.S. marine landings with the controversial which the Carter Administrafor an OAS peace tion had set out to lay. The force in Nicaragua, the very suggestion was enough to ng to holster a new remind Latin Americans that the U.S. still tends to see the pouring out from Western hemisphere and its 12 and guns pouring in problems through the lens of ly from Cuba), what East-West ideological competince called a war of tion displaying a worry about destruction was clearly Communist Cuba that few of for international them still share.

The U.S. withdrew the idea S. had not been totally of armed intervention once it up to then. It had put became 2crystal 2clear that it on the Somoza regime, was not going to prosper at off U.S. economic and the OAS. Instead, Washington aid, and blocking an joined a group of Andean and

International Monetary Fund Caribbean countries in sponsorprinciple of non-intervention. Mr. Vance and his State Department (who privately now ascribe the idea of intervention to Mr. Zbigniew Brzezinski, President Carter's security adviser, say their diplomatic aim has been achieved now that a majority of 17 countries against two in the OAS has agreed that General Somoza

must go.

But the U.S. proposal may backfire all the same, as did initial U.S. criticism of the Ayatollah Khomeini in Iran which did nothing to stop him taking power and adopting an anti-American stance in Iran. The guerrillas, emboldened by growing diplomatic support, say they now have all the more reason to push on to military victory.

On the other hand, an eventual Sandinista victory, which Washington may now have to accept, may turn out much less nightmarish than the right wing has painted it. Representatives of the Sandinistas and the provisional Government set up in Costa Rica strongly resist being labelled "Cuban puppet." They point to the fact that only one member of the five-man provisional Government, Sr. Daniel

#### NICARAGUA

Founded in 1838 upon breaking away from the Central American Federation set up when Spanish rule was extinguished in 1821.

Under U.S. tutelage in 1912 when U.S. naval forces intervened in a Nicaraguan civil war. U.S. marines withdrawn

49,800 square miles (128,909 sq. km), Population 2.4m (1978)

GNP (1977) \$2,145m, \$929 per head

Major exports (1975): Cotton \$98.5m, coffee \$48.9m

ing a resolution last Saturday leading Nicaraguan business-condemning the Somoza regime, man; a left of centre intellectual; but at the same time calling and a professor of physics. The for scrupulous respect for the last three were educated in the

> While Marxism is rather more common among the ranks of the Sandinista guerrillas than in the provisional Government, it certainly is not the majority line. In a guerrilla movement which until recently was very badly split ideologically, the leading role has always been played by the so-called Terceristas who have borne the brunt of the fighting and from whose ranks has sprung Sr. whose ranks has sprung Sr. when France and Morocco took Eden Pastora, the overall the lead in helping Zaire last Sandinista commander. He is year against what the U.S. understood to be committed to initially termed a Cuban-the holding of genuine elec- supported rebellion in Shaba. tions and to oppose the ideas of some members of the smaller factions which have wented to thrust undiluted Marxism-Leninism down Nicaraguan throats.

#### Changed times

The days are in any case gone when the U.S. could act alone in its Caribbean and Central American backyard-as it did in Guatemala in 1954, at the Bay of Pigs in 1961, the Dominican Republic in 1965, and further afield (though without direct military intervention) in Chile

conservative party leader; a would take unilateral action to ensure that the Nicaraguan Government was to its taste. is drawing up contingency plans for a 100,000 strong "quick

for a 100,000 strong "quick strike" force that could operate at short notice in crises or hot spots outside the Nato area. This could testify to a waning of post-Vietnam inhibitions about using U.S. military power. but such a force would apparently only be used to protect vital strategic interests such as oil routes.
The Carter Administration

has shown a preference for acting through proxies, as it could It has all the more reason to do so in an area where there is the multilateral machinery (albeit creaky and often ineffective) of the OAS. It is also the view of some Americans like Senator Frank Church, chairman of the U.S. Senate Foreign Relations Committee, that the U.S. can tolerate a degree of instability in many parts of the world, and "should not try to cap every volcano and suppress

every storm." Yet there are some U.S. officials who argue that however distasteful the methods used by the U.S. in the Dominican Republic in 1965, they had

road. Mr. Harold Brown, the U.S. Defence Secretary, does not share that view. But he did claim publicly over the weekend that Cuba was supplying guns, military advice and training to the Sandinistas. This is seen here as part of a wider pattern of countering Cuban inter-ference in the region, though the only instance of such interusually cited is Havana's quick befriending of the new regime in tiny Grenada at a time when Western countries were slow to give their support to the leaders of the coup there in April.

President Carter's dilemma over Nicaragua is made worse by the fact that some of his best Latin American friends—Costa True, the U.S. Army says it Rica, Venezuela and Panamaare actively aiding the Sandinista movement. In the case of Panama, which has raised a volunteer brigade for the Sandinistas, and through which some Cuban arms are said to have passed on their way to Nicaragua, the U.S. Administra-tion has had compelling domes-tic political reasons not to point an accusing finger.

Last week's killing by a Somoza National Guardsman of an American TV reporter may have turned U.S. public opinion against the Nicaraguan dictator. But General Somoza, a West Point graduate among other distinctions that endear him to the American Right, still has his share of friends in the U.S.

#### Last ditch

GENERAL

discusses

Labour

London.

The pro-Somoza lobby in Congress overlaps in member-ship with the opponents of the Panama Canal treaties. These treaties were ratified last year by the Senate. But conservatives in the House of Representatives tried and last week only barely failed to scupper legislation to put the treaties into effect. Their last ditch argument was Panamian meddling in Nicaragua. It is an argument that may damage the implementing legislation, which has yet to pass the Senate.

UK: TUC general council

campaign

Party

executive meets to discretection of Shadow Cabinet.

Government's economic policy.

to let the treaty negotiations drag on without conclusion. The attitude to the canal that "we built it, we paid for it, it's ours." is widespread in the U.S., reminiscent of a similar British

less popular at home. Mr.

Carter's two predecessors in the White House were only too glad

was a diplomatic faux pas, probably not much more. But gaffes

sentiments in the past about the

Suez Canal.

President Carter has put the of that kind could undermine treaties — which will give the goodwill engendered by the Panama sole control of the canal by AD 2000—near the very top.

Nor are these the only irritants by AD 2000—near the very top in hemispheric relations, always of his foreign policy agenda. No sensitive despite Mr. Carter's other issue has symbolised more effort to improve bilateral ties, to Latin Americans that he has particularly with middle rank changed the old paternalist powers like Venezuela, Mexico ways of the U.S. It has required and to a lesser extent with courage, for perhaps no foreign Brazil.
policy initiative of his has been His

Sandinista guerrillas under fire in Managua.

His attempts to prevent nuclear proliferation and to improve respect for human rights have borne heavily on Latin America. Brazil and Argentina are trying to develop nuclear power in a big way and many more Latin American countries infringe human rights. The U.S. believes its human rights policy has at least given some elbow room to political The abortive suggestion of opposition groups in the con-OAS intervention in Nicaragua tinent. But that has not made 'hose in power in Latin America' like Mr. Carter any the better.

# Ortega, is an avowed Marxist. in 1970. It is barely conceivable the merit of preventing that The others are the widow of a that the Carter Administration country going down the Cuban

ste of etricity

r. N. Barnes. Mr. Muir (June 7) conhe waste of energy when 23. Bennetts Way, stations generate elec- Creydon, Surrey. lone. Some 65 per cent heat input from the oil and hard won coal n some way or another many cases a large proof the heat could be district heating if ere to be used for comeat and power (CHP). at there are signs of a approach by the elecsupply industry in this esitancy in the past to gorously into this field.

understood when viewe background of the The present monopoly origins following World to with the main objecty and when it was con-with the major task of ntry. This task has been complished.

organisations have a to become ends id of Europe might posi on the mourage CHP, we find value our country there is a

to electrical energy it is ermitted to sell it to the ity supply monopoly. our years ago the Elec-Council published its

towards private generaid the terms for purchase From Mr. Wilfred King
tricity. Under that policy
Sir.—Every week milliice to be offered per kWhe between the producer's nd, as a maximum, the supply marginal cost of tion, i.e. fuel cost only. way the monopoly always to profit while the pro-bears the capital and gs costs, possible losses ily a portion of any profit.
market rate were to be for the electricity then

would be some incentive Jewsbury refers to the The calorific value of unrefuse is nearly half that by local authorities in be offered for sale to the

icity supply industry. able for sale from 1 tonne unicipal garbage could be recuperated energy.

urgently and consideration tain car parks are almost an in lowering oil demand: "the jet at full power abruptly again should be given to the invitation to steal and as long transport sector, almost entirely through even a small angle attitudes of other successful as the organisations and dependent on petroleum as its normal to its main rotation axis countries who encourage sound authorities concerned can just fuel, has steadily increased its would set up a very strong engineering ideas for their own intrinsic worth.

N. Barnes.

#### **Publicising** bank charges

Sir,—When negotiating a sersat and power (Chr). vice, such as a taxi-ride, one switch as a taxi-ride, one assertains the tariff and then accepts or rejects the offer. The clearing banks, being custodians who seem to have had in a unique position, of which esitancy in the past to they do not hesitate to take address the state and they do not hesitate to take address whatever of their customers' money, are vantage, of debiting whatever charges they think fit, without

negotiation. Bank charges for current accounts are now published, although on an earlier occasion economically providing my bank manager declined to ty and when it was con-say what the schedule was, but other charges are steadily inating and standardising creased to sums which sometricity supply system in times appear excessive in comparison with the amount of work involved. I refer in this instance to a charge of £10 levied for applying for the certificate for mselves. Consequently the bonus shares due for the governments of our holder of Shell bearer shares artner countries on the held by the bank and consequent on the recent halving of face

It would be useful if banks disincentive for elec-production because of their main services, so that monopoly customers could decide which ints.

Local Government (Misons Provisions) Act 1976

a local authority to a and-sell heat but with the electrical energy it is

#### A ticket to steal

Sir,-Every week millions of law-abiding motorists are pushed, pilloried, and pounded to use costly off-street car parks but never receive real protec-tion against the theft of their vehicle or its contents.

The near monopoly of large-scale car parking is shared between one major company and local authorities who pro-vide multi-storey facilities. The displayed and implied terms of displayed and implied terms of this autocracy solely sets out to disclaim all responsibility in Jewsbury refers to the a manner no other service or f municipal garbage as a business could legally justify. Although charges are now as high as £7.00 for 24 hours you il and some 24m tonnes of literally ession no protection for has to be disposed of each your vehicle. In the major garages I have visited there is Britain Local authorities not even a warning notice to ermitted under Statute to say thieves will be prosecuted ate electricity by burning for stealing a vehicle or its although the energy contents. Yet all major chain store groups display prosecution notices warning of fines up nett amount of electricity to £2,000 and possible imprisonment for shoplifting. But for "car-lifting" at today's average

400 kWh but a CHP plant of over £4,000 per car there tes a very much higher is no such displayed deterrent. If thermal efficiency which Even more inconceivable is the attention. about double this amount comparison with any ordinary. dry-cleaning shop who ask you ith CHP we are not freading for your name and address h unknown to engineering before giving you a ticket for working in a field which is an item worth a few pounds. ntially hazardous. It pro In the days of silicon chip i manufacturing and tickets, even anti-theft devices oyment opportunities in in the necks of garments, it ral engineering. The is quite clear many long over-ig in energy is assured. due precautions can and must If in energy is assured. due precautions can and must and did less mileage. This is abatement or air traffic control. Y. Kovach. If in energy is assured. due precautions can and must and did less mileage. This is abatement or air traffic control. Y. Kovach. If it

**Letters to the Editor** 

has no control at all to The other prevent idle thieves wandering immediately a near-worthless banger they

say a £5,000 car. This has all been made danger and so on a childishly simple now, at Euston ter bus services. and most ticket machine entry

Somehow the control of the contr controlled garages, as no one identifies you or your vehicle when you arrive and you can just drive out giving up a ticket

with no car identity on it at all. drivers say that traffic conges-A quite elementary precau-tion, which should be made obligatory on all garages using ticket entry systems, could be introduced to act as a positive control. As a back-up there must be prominent prosecution and fine warning signs.

I am now encouraging sup-port through the Office of Fair Trading, police authorities, local authorities and insurance companies that a stringent licensing quite another. Their profound system ensuring certain protections for the motorist are intro-

money by some car park operators without any liability must be stopped and their operations brought into line with normal business practice and be fair to both sides. Bared on my own world-wide travel experience over the past 30 years our security standards in our car parking facilities fall far short of those in other major countries. Wilfred King,

17, Hargate Close, Tunbridge Wells, Kent

#### Subsidised company cars

From Ms. Pamela Johnson Sir,-In conjunction with the Budget the Government announced that the allowance on more expensive company cars was to be increased. With major cuts in taxes, especially at the upper end of the scale, a complementary reduction in tax-deductible perks, sanctioned particularly to make up for high taxation, appropriately could have been part of the package.

Not that the bee in our bonnet Well that is what is anti-perk. But the new about.

Government are pledged to P. J. Pace O'Shea.

eliminate subsidies where pos
13. Westchester Drive, sible, and another way of des- NW4. cribing the decision to increase the company car allowance is to say the subsidy to company cars has been increased. These subsidies, both the past and the recently enlarged ones, have very profound effects on our transport situation, deserving From Mr. E. R. C. Parker

to company cars perhaps were nothing of the DC-10, but as a sation to one of the regional eliminated, this could achieve passenger I will say this.— that ITV-2 or independent radio two goals desired by, I'd at times I have experienced stations, thus allowing them to imagine, most FT readers and impleasantly abrupt rotations sell time to religious organisamany others. The most obvious to climb attitude. I know that tions for a trial period at the is, of course, the conservation of the pilots have in mind their end of which we can all, includ-petrol which would occur as operating procedures and gain- ing .your TV critic, compare company cars got smaller, fewer ing height quickly for noise

underground car park at Euston Transport Report, June, 1979.) should not result in too much prevent idle thieves wandering immediately tangible — a abatement or whatever, and in round at will selecting the car pleasanter London. Fewer car any case, one would like to see they can burgle, driving it out.

The safety of the structure and and handing in a ticket for the structure and and handing in a ticket for the safety of the structure and and handing in a ticket for the safety of the structure and and the safety of the structure and and the safety of the structure and the safety of the safety of the structure and the safety of the safet and handing in a ticket for per cent of London's commuters its contents put first. come by car and probably almost have parked in exchange for all are in company cars) would mean less congestion, fumes, danger and so on as well as bet-

> Somehow the connection has not often been made between staff shortages and the unreliability and slowness of buses. But it is there and it is this: bus tion which causes a bus otherwise bound to be on time to be late, now causes, as congestion has increased under the present GLC, the public to complain all day long. Work conditions have, therefore, become extremely unpleasant and people no longer

want to drive a bus. Company cars, then, as perks are one thing, but as accidental subsidies in the transport sector, but unintended effect on conservation and the quality of life need to be acknowledged and The days of a licence to print dealt with as such by the new Government.

Pamela Johnson, Chairman, London Liaison Group.
The Conservation Society,

12, Regent's Park Road, NW1.

#### Free market economy

From Mr. P. J. Pace O'Shea Sir,-The spirit of the free market economy is at last free. May I offer an example. park my car during the

working day at the Bloomsbury NCP car park in the WC1 district of London. Until the last election I was charged £1.15 for up to nine hours parking. The day after the Conservative victory the charge went up to £1.35. Last Monday which marked the uplifting of the VAT tax the charge at this car park went up to £2.15. I suspect that for most users it will mean an increase in As a consequence, the broad their company expense accounts. For the rest no coubt it will be at least a given amount of time financed out of their income tax to a subject called religious financed out of their income tax Well that is what it is all

#### Safety in the air

Assuming the honesty of the other types of petrol users have is there any hope of getting staff at car parks it is blatantly cut back, but in 1977-78 the your Air Correspondent to use simple to select and steal at transport sector increased its his influence so that I don't ever leisure any car you want. As use of petroleum by 5 per cent. get rotated abruptly again? A simple example a major (Quotation and figures from nice, gentle transition to climb The other benefit would be loss of performance for noise

Calle Son Matet.

#### **Short-sighted** institutions

From Mr. G. P. Ledeboer

Sir.-In the light of the Goverament's refreshing attempt to cure long-term problems with long-term solutions - normally anathema to politicians for obvious reasons—it is appointing to find so much concentration on the short term

effects of the recent budget. Having put the stock-market up prior to the election and having got both the Government and the budget they seemingly wanted, surely the institutions should be looking a little further ahead than the next few months. G. P. Ledeboer, Pinerrood. Framewood Road,

#### Religious broadcasting

From Mr. Y. Kovach

Fulmer, Buckinghamshire.

Sir.—Chris Du kley, you eratic. Was right to began insipid nature of relig ous broadcasting in this con my or no 201. He was wro g in or he. sipidness is inevitable given our broadcasting set-up. This disbroadcasting set-up. piriting state of affairs is ultimately traceable to the fact that it is against the law for organisations or individuals to buy time for religious purposes. casters are directed to allocate affairs-a teken genuflection if there ever was. Also, these secular broadcasters are encouraged to retain editorial control by either producing the programmes themselves programmes memserves by presenting over time a judi long balance of established religion:

Would it be asking too much of the new Government which professes a dedication to liberty that it institute not a radical From Mr. E. R. C. Parker change in broadcasting but a Sir,—As an airline pilot I simple experiment. This would We say if the subsidies given retired nine years ago and know take the form of giving a dispen

organisations or personages.



against Society of Motor Manufacturers and Traders reveals plans for reducing petrol consumption national new cars. British Gas Corporation meets

Mr Peter Walker, Agricultural Minister, talks to Farmers' Club, unions for pay talks. Labour Party white-collar staff call one-day strike. Sir Peter Parker, British Rail Royal Norfolk Agricultural chairman, addresses National Union of Railwaymen's conferopens, Norwich (until June 28).

Overseas: Second day of OPEC meeting in Geneva. Institute of Economic Affairs Mr. Joe Clark, Canad an Prima Minister, talks with Mr. Masapublishes surveys on alternatives to state education and medical yoshi Ohira, Japanese Prime

Minister, before tomorrow': world summit. Tokyo. Comecon annual conference second day in

Moscow.
PARLIAMENTARY BUSINESS House of Commons: Financ Bill second reading. Motions or Pool Competitions Act 197 (Continuance) Order and Socia Security Revaluation of Earning: Factors Order.
House of Lords: Short debate

on service sectors of British ndustry. Short debate on proper use of prisons to maintain law and order. Company Results and Meetings.

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THE M&G GROUP

# BATS earnings up 8% after first six months

DESPITE the effect of a strong pound on the sterling translation of overseas profits, BAT Industries reports an 11 per cent rise in pre-tax profit from £210m to £234m in the six months ended March 31, 1979. The net attri-butable balance is 8 per cent higher at £114m.

Group results in sterling terms will continue to be affected by movements in exchange rates but subject to this, the directors say net attributable profit for the 12 months to September, 1979 should show a sustained improvement.

A second interim dividend of 6p (5p) is being declared, making 10.84p against 9.4p so far in the current 15-month period to December 31. The directors are to pay a third interim and say at least a similar rate of increase may be expected by comparison with last year's

5.12p final.
The third interim will be payable on April 1 next year to ordinary holders, out of profits for the year to September 30, 1979 and a special interim dividend will also be payable on the same date out of profits for the three months to December 21, 1979

Deferred ordinary holders as well as the ordinary holders will be entitled to the special interim payment. The 20 per cent increase in the second interim in part reflects the Board's concern that the real value of dividends has been croded by inflation and dividend restrictions.

The directors say the first half improvement was due largely to substantially better results from paper, although the inclusion of Appleton Paper Inc. in the U.S. in this six months but not in the comparative period last year, accounted for just under 60 per cent of the improvement in

cent gain but, had it not been for exchange translation factors.

HIGHLIGHTS

Lex considers the full-year figures from BAT Industries where profits are up but the rise in sterling has been a major constraint on the growth figure. Subject to further exchangerate movements results should show a substantial improvement this year with a small gain by tobacco. some recovery in retailing and a strong performance from paper. The possible strategy by which the Government will offer the BP shares comes under review in the light of the sharply rising price in the market. Lex also looks at the interim report from FNFC. UBM Group has come up with a £5.4m rights issue and Fairline comes to the market.

Germany, together with increased remained a relatively static borrowing by International market. borrowing by International Stores. Pegulan became a subsidiary of the group in October, 1978. The company is a specialist manufacturer of floor and wall coverings and plastics.

• Including £1.16m (£1.73m)' and excise. Group cigarette sales volume again increased over the same period last year and sales are expected to increase in the second six months. Although profits will be adversely affected by the continuing costs of entry UK market and by increased operating costs in Germany, there should be a small overall improvement for

AND THE RESIDENCE OF THE PROPERTY OF THE PROPE

and of Pegulan-Werke A.G. in In the UK, food retailing

The directors say increased turnover for Cimbels and Saks is expected to come through into profit. Although competitive pressures will dominate UK retailing margins, the improved margins should continue. In the paper industry, improved performances of Wig-gins Teape and Appleton in the

first-half are expected to con-

Two subsidiaries have also announced their interim results. Turnover of the Wiggins Teape Group improved from £226.01m to £252.5m in the six months to March 31, 1979 and pre-tax profits were higher at £24.8m against £16.02m in the same period last

The directors are declaring an interim dividend of £5m (£2m) months trading period. A pre-tax loss of £2.15m was incurred by International Stores in the first six months, compared with a £3.45m profit in the corresponding 27 weeks to April

1, 1978. Turnover amounted to £314.5m against £253.02m. Results of Alliance Wholesale Grocers which became a sub-sidiary last June are included from June 9, 1978. Comparisons 9 per cent.
In retail, sales of both Saks Interest charges were higher by 17m, reflecting the inclusion of the borrowings for Appleton and the opening of new stores.

In example of the year.

In retail, sales of both Saks bave been amended to include results of Kearly and Tonge which reverted to being a substitute borrowings for Appleton and the opening of new stores.

See Lex **ISSUE NEWS** 

# **UBM** rights to maintain prudent gearing ratio

£5.4m, on the basis of one-for-five is proposed by the UBM Group. the UK's largest independent

A total of 9.85m ordinary shares are being offered at 57p each, compared with an overnight price of 721p. The shares yester-day slipped to 67p. The issue has been under-

written by Samuel Montague and orokers are Cazenove. The directors confirm that results for the opening months of the current year are encouraging

with profits and sales well ahead of the corresponding period of the previous year. However, they to not make a profits forecast. In the current year the directors expect to at least maintain last year's dividend total of

4.73p on the increased capital.

part of the company's require- years working capital requirement for capital relates to working capital needs caused by increases in volume and rising prices. The company has tradi-tionally relied on borrowings to finance a proportion of this requirement

However, they now want to increase shareholders' funds in order to maintain a "prudent" gearing ratio.

Acceptances should be received by July 20.

comment

UBM's £5.4m cash call is not entirely unexpected. Having successfully climbed out of the trough of 1976 and 1977, it was always a possibility that the com-pany would ask its shareholders

They explain that the greater for a contribution. In recent ments had been reduced because of falling demand but now that volume has picked up, the company needs cash to finance new stock and debtors. Without a cash injection, net horrowings, which currently stand at a good 70 per cent of shareholders' funds, would be excessively high. Meanwhile, the success of the rights issue depends very much on the state of the market over the next four weeks—yesterday's 51p drop in the share price cut the discount on the new shares to 15 per cent. Also, the historic cover is slim, a factor that could enforce dividend restraint in the future. The most attractive feature is the ex-rights yield of 10.4 per cent.

# Fairline price pitched at 80p

pleted for the placing of 1,225,000 ordinary 10p shares, representing 35 per cent of the total equity, of Fairline Boats, the Northamptonshire-based builder

of motor cruisers. The shares are being placed at 80p each, capitalising the com-pany at £2.8m. Dealings are expected to begin on July 2.
From 1974 to 1978 group sales increased from £0.66m to £3.62m, and pre-tax profits from £13,000 to £0.52m. For the half-year ended March 31, 1979, turnover amounted to £2.27m and profits

to £0.28m. In the prospectus, published today, the company is forecasting sales of not less than £5.17m for the year ending September 30, 1979, with profits of not less than £7.75m.

The directors intend to pay a dividend of 3.5p net. If the com-pany had been listed for a full year, they would have declared a total equivalent to 7.428p

earnings per share amount to 13.9p.
At end-March, 1979, group net tangible assets totalied £1.44m or 41.2p per share. At that date, the company had bank balances of £0.47m and no indebtedness. compared with a net balance of £0.26m a year previous.

investors.

director is Mr. Sam Newington, 44, son of Mr. J. T. Newington, the founder. Apart from boat building, the company operates a marina and boat hire fleet. The placing was arranged by Barclays Merchant Bank and brokers are Hedderwick Stirling Grumbar.

comment

As there is no comparable comrear, they would have declared parable company, it is difficult total equivalent to 7.428p to judge whether Fairline's placing price of 80p has been Based on the expected tax pitched at the right level.

especially as the asset backing is only 41.2p. However, the company is not operating in a capital intensive industry and the track record is impressive; in both home and export markets it has consistently outperformed the industry norm. Also, the prospects look set fair with Roughly half of the placing demand outpacing the ability to will be with institutions, with the balance being taken up by distributors and private still further and the company is still further and the company is bringing on stream an extra The chairman and managing 25 per cent capacity later this irector is Mr. Sam Newington, year. At the placing price, the prospective fully-taxed p/e is 7.7 while the yield is an attractive 9.3 per cent with cover of slightly less than two.

#### YEARLINGS UP TO 123%

Interest rates on local authority yearling bonds continued to rise with this week's batch up from 123 per cent to 125 per cent—the highest level since mid-February.

The stock is issued at par and matures on July 2, 1980. The issues are: Fife Regional Council (£1m), Runnymede District Council (£1m), the City of Salford (£500,000), Alnwick District Council (£250,000), District Council (£250,000), Cotswold District Council (£250,000), City of Portsmouth (£1m), City of Bristol (£1.5m), London Borough of Hammer-smith and Fulham (£500,000), Kirkcaldy District Council Kirkcaldy District Council (£500,000), Colchester Borough Council (£500,000), London Borough of Hackney (£1m), New Forset Forest District Council (£750,000), South Staffordshire District Council (£250,000), East Hertfordshire District Council (£500,000), Harborough District Council (£900,000), Derwentsict Council (£900,000), Derwentsict Council (£900,000), City District Council (£500,000), City of Wakefield Metropolitan District Council (£600,000), Wans-

beck District Council £800,000). (£250,000), Mansfield District Council (£500,000), Cumbernauld and Kilsyth District Council (£250,000), North East Fife District Council (£500,000), Lliw Valley District (£250,000).

87% TAKE UP MEPC RIGHTS

Roughly 87 per cent of MEPC's offer of new shares by way of rights were taken up.
All institutional holders, repreenting about 70 per cent of the shareholders took up their rights; almost half of private

investors did not.

The placing of the rump of the shares not subscribed for went "very well" at a premiem of 2.73p over the offer price of 154p. The excess will be distributed to the original allottees.

STONEHILL SCRIP

The directors of furniture manufacturer Stonehill Holdings are proposing a scrip issue of one 101 per cent preference share for every seven ordinary. The preference can either be held to boost income or sold for cash without affecting the

equity stake.

The board members and their family interests, which control 66.03 per cent of the equity, intend to vote in favour of the resolution. They said yesterday that part of the Board's allocation might be sold.
In his chairman's statement

with the full accounts Mr. Philip Steinberg reports that the current order book is substantially higher than a year ago and he anticipates another year of successful trading.

STEEL BROS.

Stockbrokers W. I. Carr have placed with institutions the 18.8 per cent interest (703,000 shares) held by Steel Brothers Holdings in Attock Petroleum. The price was 1374p.

Fitzroy Inv.

35,456

21,616

With turnover lower at £304,429 against £712,434, Fitzroy Investment Company reduced the net loss from £102,294 to £13,339 for the six months to March 31, 1979. The directors are confident that the improvement will be continued.

There was no tax charge compared with £3,549 last time, and the net result was after extra-ordinary debits of £261,667 (£67,780 credits).

King & Shaxson

# FNFC turns in £3.67m midway

ated loans amounting to £9.05m, First National Finance Corporation turned in profits before tax of £3.67m for the six months to April 30, 1979. In the previous full year, a £17.86m surplus was achieved.

The result includes the profit of the consumer credit division of £4.51m (£9.51m for year).
After a tax charge of £120,000
(£145,000), net surplus for the six months was £3.55m, against £17,72m in the previous year. During the half year, the group has suffered from high interest rates which bear heavily

upon the lending and property division because of the shortfall between its earning assets and total borrowings.

The reduction of the company's involvement in property has continued. Further disposals have been made and its building-out operations have proved more successful than anticipated

with higher prices being obtained on sales.

The cash generated has enabled the company to reduce its liabilities by £12.71m, after allowing for the further interest accrued in the six months.

Under the terms of the re-organisation scheme, interest qualifying for payment to the support group amounts to £12.59m and sufficient remit-

tances have already been made to cover this amount. This keeps up to date all interest due on income loans and enables the company to pay £7.73m of interest due on deferred loans. Unpaid interest, on which no further interest accrues, amounts to £7.7m on deferred loans and £5.55m on

sub-ordinated loans. The effect of the six months' profit is to reduce net deficiency for shareholders to £54.81m. After deducting this from a total of £78.49m in respect of deferred and subordinated loans, the solvency margin now amounts to

£23.68m.
The amount of the release in the six months of principal provisions and suspended interest was £2.69m.

#### **Evans of** Leeds advances

income deferred and subordin- ment and development group is almost doubling the dividend.

The total net payment per 25p share is lifted from an adjusted 1.300p to 2.5p with a final of 2p. Stated earnings per share are up from 4.666p to 5.633p.

Total revenue for the year rose from £2.77m. to £3.25m and net revenue, after tax and extraordinary items, jumped from £788,005 to £1.26m.

#### Greenfields Leisure up mid-way

FOR THE six months ended April 30, 1979, turnover of Greenfields Leisure showed an increase from £5.08m to £7.29m and pre-tax profits are £438,000 against £326,000.

against £320,000.

The directors say turnover in retail and wholesale divisions continues to be very satisfactory and they are optimistic about the year's result.

The first half tax charge is £228,000 (£169,000) giving earnings per share of £54p egainst 1.47p. The interim dividend is lifted from 0.6265p to 0.84p—the previous total was 1.93449p from pre-tax profits of £990,000

pre-tax profits of £990,000.

The group, formerly Greenfield Milletts, trades as a retailer and wholesaler of leisurewear and camping equipment.

#### • comment

Competitive pricing and the cold winter has worked wonders for Greenfield and interim profits are up some 34 per cent. The transport strike disrupted supplies but nevertheless group sales still notched up a 44 per cent gain. Fourteen new branches will be added this year raising net selling area by about half, though most of the benefits to profits will not show through to next year. This continuing provincial expansion is timely as Greenfield's West End stores are facing a decline in tourist spending. Second half prospects are favourable though the intention to absorb part of the VAT increase may have ar impact on overall margins Outside analysts are aiming for profits of around £1.35m and : gross dividend of 3.7p per share The shares have performed wel since last March and at 79p the of Leeds advanced from £1.55m now up to £5.1 while the yield to £1.85m in the year to March is around 5 per cent

#### DIVIDENDS ANNOUNCED

201182	*****	284 1111			• -
	2.22		Corre-		
		OI.			
• •	payment	payment			
Avana	2.35	Oct. 1	0.59	3.5	1.1
BAT 2nd int			5	<b></b> ‡	14.52
Bond Street Fabrics int.	Nil		0.75		2.9
Caledonian Ass. Cinemas	5		0.75 2.62	6	3.62
Countryside Props. int.	1.4	Sept. 10	1.01	_	2.68
Derritron	0.26	Aug. 31	. 0.23	0.81	0.73
Dhamai Holdings	4	Aug. 29	4	.4	4
Equity Consort Inv	7.754.	Sept. 12	7.25	10.75	10.25
Evans of Leeds	2		0.81	2.5	1.31*
Giltspur 2nd int.	23	Sept 18	1.9	-3.5	2.9
Greenfields Leisure int.	0.84	Aug. 3	0.63		1.93
Kalma	0.85	Aug. 17	0.13*	1.38	. 0.67*
CP Holdings	3.2	July 13	2.79	5.5	4.79
Property Hidg. and Inv.	4.5			7.5.	6.6
Trident TV int.	1.1	Sept. 4	0.93		3.16
	• •		_		•

Dividends shown pence per share net except where otherwise stated \* Equivalent after allowing for scrip issue. 7 On capital increased by rights and/or acquisition issues. 2 Making 10.847 (9.4p) so far for 15 months to December 31. 3 Gross payment

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### Allied Irish Banks Limited Principal Operating Companies: Allied Irish Banks Limited, Allied Irish Finance Company Limited, Allied Irish Investment Bank Limited, Allied Irish Banks (I.O.M.) Limited, Allied Irish Leasing Limited, Allied Combined Trust Limited.

The Annual General Meeting of Allied Irish Banks Limited will be held at Group Headquarters, Bankcentre, Ballsbridge, Dublin 4 on Tuesday, 3rd July, 1979 at 12 o'clock noon. Extracts from Statement by Niall Crowley, Chairman of the Board.

In the year ended 31st March, 1979, the Profit before Taxation of the AIB Group amounted to almost IR £41 million, an improvement of 19 per cent over the previous year's figure of IR £34.5 million. The Profit after Taxation at IR £28.5 million shows an appreciable increase of 31 per cent over the corresponding figure for 1977 78 (IR £21.7m). The Profit attributable to Shareholders, after providing for Minority Interests, amounted to IR£28 million compared to IR£21.6 million, an increase of IR£6.4 million, or 30 per cent. The particularly satisfactory after-tax increase was helped by tax allowances on part of the capital expenditure on Bankcentre and by a number of sizeable leasing

The major portion of the Group's profit is naturally contributed by the Parent Bank. It is, however, pleasing for me to record that, again this year, the subsidiaries contributed one-third of the total profit before tax. Allied Irish Finance achieved a pre-tax profit of IR £8.6 million, and Allied Irish Investment Bank and Associated Companies IR £4.7 million. Our income increased substantially because of the growth in our resources and lendings. This growth is reflected in the increase of 28 per cent in the Group's Balance Sheet Total, which now stands at IR £2,715 million. However, substantial though the increase in income was I must mention our concern that the rate of increase in our costs was even greater. This is a worrying feature of retail banking worldwide but with the assistance of further computerisation and improved systems, we are optimistic

of being able to contain our costs. Capital The Board has decided to recommend a scrip issue of one 25p share for every two held. This will be done by a transfer from reserves and the necessary resolution will be put before the shareholders at the Annual General Meeting. The Board has also decided to recommend an offer of shares to the employees and pensioners of the Group and proposals to this effect will be submitted for consideration at the Annual General Meeting. This offer would not exceed 5 per cent of the Issued Capital after the scrip issue and full conversion of the Unsecured Loan Stock. It would be made at a discount of onethird on the market price of the shares at the date of the offer. The Board considers that the spread of ownership amongst the employees of the Group which would result from this arrangement would secure a greater sense of involvement by them and would, therefore, be beneficial to the interests of all stakeholders.

Capital from IR £25 million to IR £60 million. The recommended final dividend is 20 per cent which, together with the interim of 14 per cent will give a total of 34 per cent for the year. This compares with last year's payment of 30 per

Meeting, to increase the Authorised Share

A proposal will be made at the Annual General

cent and is five times covered by available profits. Banking and the Economy The ability of the banking system to finance the growth of the economy depends crucially on the availability of funds, at a reasonable cost. Over the past few months there has been growing evidence that the supply of funds to the market



Mr. Niall Crowley, Chairman

The result has been a rise in money market rates and a general tightening of credit. The tight liquidity position currently being experienced by the banking system arises in part from the strong demand for credit in 1978. Between September 1977 and September 1978, bank lending increased by 32 per cent. On the other hand, the growth in the money supply - broadly the resources available to the banking system was only 22 per cent over the same period. Entry to the European Monetary System, and the exchange control regulations which preceded it, had some impact on the flow of resources into the banking system. It also affected the demand for domestically supplied credit. Indeed, it would seem that, overall, the net flow of resources back to the economy arising from the EMS has been negative in that more debts have been repatriated than assets and this has put a strain on the domestic lending ability of the banks. The liquidity position of the banking system was also affected by a fairly substantial flow of funds over a short period of time into government securities at a low point in the Government spending cycle. These funds were not immediately re-cycled into the market. In 1979, therefore, the banking system can anticipate continued pressure on credit demand as sterling loans are re-financed in Irish Pounds and as borrowers who might otherwise have sought funds outside Ireland seek accommodation from the Irish banks. This competition for resources raises the issue of the appropriateness of the current 43 per cent liquidity requirement in the case of the Associated Banks. It is clear that liquidity requirements of this order are not for the purpose of maintaining banking stability. At present the non-Associated Banks are subject to a 23 per cent ratio while other important financial institutions, which compete with the banks for resources, have no liquidity

from the Associated Banks and towards the favoured institutions. European Monetary System
Towards the end of the Bank's financial year the European Monetary System was established with Ireland as a founder member. I supported the full involvement of the Republic in a system

requirements placed upon them. The different

diversion of resources and market share away

liquidity ratios distort competition and lead to a

which aims at exchange rate stability, lower inflation and the convergence of economic policies within the EEC The Group has coped well with the changes in

practice and operations required by EMS entry. It remains to be seen whether the economy as a whole can quickly and smoothly adjust to the disciplines necessary for successful membership of the EMS - by which I mean the maintenance of a stable Irish Pound and a reduction in price inflation to the European average. If domestic costs rise faster than in the rest of

the member countries of the system, then Irish producers, both exporters and those competing with imports, will face increased competition. The balance of payments deficit will widen, reserves will fall and we will be forced to choose between deflation, with consequent loss of employment, and a depreciation in the exchange rate, which will push up domestic inflation. The stark reality is that pay increases, in real terms, cannot exceed the rate of growth of productivity in the economy as a whole.

Of course, it is no easy task to ensure pay moderation of this kind. Workers are, rightly, concerned with improvements in real take-h pay and it is important that the tax structure is designed to ensure that it helps rather than hinders the development of moderate income increases during the year.

The Group has every confidence in the future prospects for the Irish economy. The potential for growth, exhibited over the past three years, remains. The problems posed by EMS are not insuperable; if resolved, the prospects for inflation and interest rates remain very favourable.

Industrial Relations

The development of harmonious industrial relations in AIB is a key objective of Management. In this connection, an important step forward during the past year was the completion of a comprehensive Attitude Survey. in the Parent Bank in co-operation with the Irish Bank Officials' Association. The response rate was very encouraging and the results will be communicated to all staff within the next Bankcentre

The new Group Headquarters is now in the

subsidiaries are moving in on a planned phased

final stages of completion at Bankcentre in

Ballsbridge and staff from the bank and

FEATURES OF THE CONSOLIDATED ACCOUNTS Year ended 31st March

Special Provision Profit attributable to

Shareholders

1979 IR£000 IR£000 15,048 Issued Capital 16,220 Share Premium and Reserves 135,651 19,392 109.432 26,564 Long Term Debt Capital Employed 171,263 151,044 Total Assets 2,715,435 2,120,655 Current, Deposit and Other <del>2,493,43</del>7 1,927,323 Advances to Customers and Other Accounts, Less Provisi Provisions
Group Profit before Tax and 1,476,597 1,009,472

Earning per 25p share Basic Fully Diluted has tightened relative to the demand for credit. Copies of Report and Accounts and Chairman's Statement are obtainable on application to: The Secretary, Allied Irish Banks Limited, P.O. Box 452, Bankcentre, Balisbridge, Dublin 4.

المكذامند للصل

# Good second half lifts LCP to record £6.1m

i second-half profits using from £2.11m to n, LCP Holdings finished cord taxable surplus of n, compared with £4.22m. midway, profits were r at £2.81m (£2.11m), but directors then said that, st the current background dustrial and economic un-nty, it would be difficult to

ise profitability in the d half. for the year took £2.03m, # £0.74m. The net final divior 3.2p per 25p share lifts tal to 5.5p (4.79p). A one-o scrip issue is also

re is an extraordinary of £7.04m (£17,000), which ises: surplus after tax on if LCP Homecentre activiand associated properties terminal costs on dis-ued operations after tax £509,000; and surplus on ption of debenture stock

revaluation of investment ed earnings are 13.8p. At the year-end, investment ) excluding extraordinary properties totalled 129.58m

items. Net asset value is given as 142p, compared with 110p. The trading estates at Pensear to March 31, 1979, with nett, Stourbridge and Willenhall were valued at March 31, 1979, at open market value on an existing use basis at £29.58m. This represents a surplus of

∟08m over book	vælue.	
	1978-79	1977-78
	5000	0001
rnover	152,703	139,444
	8,690	6,612
Diarribution	46,154	41.764
Engineering	12,268	12,037
Metals	20,013	18,094
Property	2.773	2,178
Vehicle distrib.	79,939	46,967
Overseas	2,688	2,001
Homecentres	10,198	9 791
ding profit	7.833	5,913
Construction	556	388
Distribution	671	583
Engineering	82	542
Metals	940	801
Property	2.285	1,665
Vehicle distrib	2541	1,350
Overseas	104	112
Homecentres	654	472
velop. dealing	801	715
1916\$1	2577	1.697
ofit before tex	6.064	4,222
ž	2.027	740
t profit	4.037	3,482
minorities	7,002	**9
treard, credit	7,042	17
vidends	1,714	1,141
toined	9,367	2 349
tained	. 0,507	_,,,
At the recent	d inve	elmant

(£22.36), while other fixed assets stood at £11.81m (£13.27m). Net current assets were up from £3.64m to £12.9m.

comment

First-time contributions from acquisitions and higher prices were factors behind LCP's 31 per cent sales jump though the major feature was an almost across the board volume growth. The only sector which struck trouble was engineering, and the loss maker—the car seat trimming maker—the car seat trimming activities—has already been shut down. Property and vehicle distribution were again significant earners and with Ford taking an increasing share of its car sales (50 per cent in 1978-79 and around 60 per cent in the current year) it should be reasonably well insulated from any market contraction during the market contraction during the next 12 to 18 months. The shares jumped 5p to 118p giving an historic p/e of 8.3 and a yield of 6.8 per cent. The group has above average growth prospects, low borrowings (£11.4m) relative to shareholders' funds (£45m)

# Filtspur profit expands 40% nd borrowings cut £3.1m

\$4.52m for the year ended 31, 1979, with £2.5m t £2.16m coming in the half. Full-year turnover y £11.41m to £84.81m.

n announcing first-half a surplus up from £1.05m D2m, Mr. Maxwell Joseph, airman, said be expected for the second six months ral or better those then

ı yearly earnings per 10p well ahead at 16.25p ), the directors intend to he dvidend total by 20 per o 3.5p (2.9p) net. The uation of dividend controls uation of dividend controls he end of July precludes eclaration of the approfinal at the AGM, and they are intend to recommend gust 1, a second interim in lieu of a final.

Aduction of £3.1m in grouplying produced a further yement in its financial gear-

f £139,000 in property has excluded from comparainterest and tax charges reduced, at £850,000 300) and £1.5m (£1.8m) tively. After an extra-ry credit of £294,000 100 debit) and minorities.

stable profits jumped some paratives have been ed to reflect changes in tting policy for deferred id depreciation.

mment

r. industrial services expanded pre-tax profits per cent from £3.21m to a £4.52m for the year ended 31, 1979, with £2.5m trucks although there is a foreign element in the North—could feel the cold winds of harder sales competition in the coming months. But, on the other hand, the freight side is expected to completely recover lost ground and further growth will come from the three components of the Expo division. And the recovery in the projecting extinities. And the recovery in the engineering activities — particularly the engineering design— is likely to continue. The shares rose 3p to 88p yesterday giving an historic stated p/e of 5.2 and a yield of 6 per cent. Perhaps not in the Grand Met class but interesting, nonetheless.

#### Helene of London set

vement in its financial gearhile the group has arranged
agottation of loans repaywithin two years, which
even reduced by £5.5m.
divisional breakdown of
er and profits before
if, £5.37m (£4.14m), shows
£000s omitted): expo

(£515.492) and £2.818

for record
man, that the company is heading for another year of record
profits—the 19th in succession.

However shareholders at the
annual meeting were unable to (£15,492) and £2,618 annual meeting were unable to vote on a proposal to double the dividend payout for the year ended last December even though the payment date falls after July 31 when dividend restraint is due to be lifted. vote on a proposal to double the straint is due to be lifted.

Instead a further meeting will be called for early in August when the final payment can legally be lifted to 1.0081p per share raising the total from 0.6707p to 1.3414p and giving a yield of 6.6 per cent at 29p. On the company's figures this would drop the dividend cover from 6.7 to a still substantial 3.7 times based on pre-tax profits close to £11m.

STANLEY GIBBONS mment

AN Increase in turnover and correspond two years of strong profits for 1978 are reported by dividends.

TTE THE bad weather and recovery the rate of profit growth stanley Gibbons International, rial unrest this winter, at Maxwell Joseph's "other now part of the Letraset Interindustrial services company" Giltspur, is expected national group. national group.
Turnover was up from £11.91m to £16.2m and pre-tax profits were £2.15m compared with £1.56m in the previous year.

#### **Derritron** second half pick up

AFTER being marginally down from £312,000 to £300.000 at midway, pre-tax profits of Derritron finished 1978 ahead from £644,000 to £702,000.

Stated earnings per 10p share are 2.39p. Last year there was an extraordinary debit of £133,000 and after this earnings were 1.28p. The net final dividend is 0.261p raising the total from 0.727p to 0.811p.

The company manufactures

and markets electronic	equ
ment.	
1978	. 1
	. 4
Turnover4,900	3,
Freding profit 1,066	
Davelop, expend, 297	
. Interest 67	
Profit before tax 702	
'Tax '	
Extraordinary debt -	
Pref. divs. 13	

#### **Equity Consort** up to £0.31m

After tax of £170,250, compared with £153,408, the net revenue of Equity Consort Investment rose from £281,253 to £311,112 in the year to April 30, 1979. Gross earnings per £1 share were shown to be up from 10.56p to

11.15p.
A final gross dividend of 7.75p
per £1 share takes the total from
10.25p to 10.75p. The directors propose that any reduction in changes will be matched by a corresponding increase in net

# Little change at Trident TV

**BOARD MEETINGS** 

Interims: Blundell-Permoglaze, Caledonian Holdings, Hardys and Hansons, M and G Dual Trust.
Finals: Edgar Allen Bolfour, 8PB Industries, Bailleys of Yorkshire, Brickhouse Dudley, British Tar Products, Cattle's (Holdings), Chubb, Durapipe International, 8. Elitott, Grasham House Estate, Hicking Pentecost, MK Electric, Powell Duffry, Tranwood, FUTURE DAYES Interims:—

Interims:— Macdonald Martin Distilleries July 30 Sotheby Parke Bernet July 3 Union Discount July 18 Finals:— Booth (John) June 28 Carless Capel July 3

Predictably flat figures from Trident, due to a three-week strike at Yorksbire TV and the collapse of advertising revenue

in February and March, did little to impress the market yesterday but talk of a return to a twice-covered dividend was something

else. Advertising revenue is back to month on month gains of close to 20 per cent and without the Price Commission in

the background, rate card increases could compensate for

any margin pressures caused by

the next wage round. TV contracting profits should be better in the second half and

the leisure interests, such as Windsor Park, should make a reasonable showing to take overall profits up to at least £94m. On that basis the twice

covered dividend could yield

around 114 per cent at 60p-way

out of line with the sector and the shares look set to move

comment

from activities outside television. Trident Television was able to hold pre-tax profits at around £4.5m in the six months to March 31, 1979. The directors anticipate a modest improvement

in group full year results. On the half-year results the directors explain that the long period of buoyancy in television advertising continued until January, 1979, and as a result the company achieved its revenue targets for the first four months despite a strike at Yorkshire Television over Christmas.

However, the remaining months were severely affected by the lorry drivers' strike and the bad weather, which combined to disrupt the distribution of goods; in these circumstances, manufacturers and retailers turers and retailers naturally postponed their advertising. In common with the rest of the industry the company has yet to make up the revenue lost at

Fortunately the downturn in television profits has been offset by an improvement in the returns from the company's other activities, they add.

The pre-tax profit was struck on turnover of £36.44m (£35.96m). It was after a £6.81m provision for Exchequer levy and included other activity profits of £792,000

Earnings per 10p share are shown at 4.1138p (no comparison) and the interim dividend is raised from 0.932p to 1.095p net. While this is an increase of 17.5 per cent, the directors say that it is their intention to return at the year-end to the policy that dividends should be twice covered. The total pay-ment for last year was 3.159p

# Avana profit tops £3.5m: paying more

FOLLOWING the 83 per cent the group is now in a position rise to £1.41m in the first six to expand production signifimonths, Avana Group, a major cantly. Two factories will be cake supplier to Marks and Spencer, finished the year to March 31, 1979, with pre-tax profits of £3.52m against £2.34m continues to be Avana's ability in the previous year. The directors say that current

trading is good and more than matches the excellent start of last year. Turnover Turnover improved from f29.6m to £33.4m. Tax takes £1.28m (£1.2m) giving earnings per share of 10.880 against 5.52p. The final dividend is 2.35p lifting the total from 1.0979p to 3.5p.

• comment

reward of heavy capital spend- notential alone is enough to ing, totalling around £2m last justify the stated n/e of slightly Investment has been concentrated on improving margins,

to buck market trends, relying greatly on its relations with Marks and Spencer, which takes about 30 per cent of production. The group emerged strongly upheavals in the cake market a few years ago and last year more than doubled jam sales while overall consumption It is pressing on with a gradual move up-market at the same time as increasing its ownlabel business. No acquisition mment are planned, despite a positive continues to reap the cash balance, but organic growth notential alone is enough to over nine. At 102p the shares yield 5 per cent and the dividend

### Halma over £1m-doubles dividend and plans scrip

BY ACHIEVING a near £179,000 £235,856 against £313,031. advance in second half taxable A net final dividend of 3.625p advance in second half taxable earnings Halma, as forecast in January, lifted total profit for the year to March 31, 1979, from £843,696 to a record £1.13m. A more than doubled net dividend on enlarged capital, is also

planned. Sales by the group, which makes safety and environmental control products, were ahead

£1m to £10.65m. When reporting a surplus up from £510,273 to £403,661 at halftime, Mr. David Barber, the chairman, said the group could look forward to a long period

of substantial growth and increasing profits. After tax of £445,209 (£278,746) for the year earnings per 10p share are stated 0.87p higher at 6.47p. A net final dividend of 0.8513p effectively raises the total by 108 per cent from 0.668p to 1.3846p. Ordinary payments cost £142,773 (£67,783) and are covered more than four times.

In addition a one-for-three scrip issue is pronosed and the authorised capital is to be increased from £2.34m to £2.7m.

• comment Profits continue to surge ahead

at Halma, with the pre-tax figure up around 40 per cent in the second half, but only at the expense of sales growth. This is part and parcel of the group's emphasis on improving cash-flow through its most profitable pro-ducts, primarily health and safety equipment. The return on working capital has consequently risen to over 30 per cent from around 22 per cent this time last year. Taking this together with lower gearing the growth prospects look rosy and, at 62p. the shares reflect this with a stated p/c of 9.5. Overseas markets should provide some of the impetus as the group has recently established subsidiaries ip France and the Netherlands. Moreover, the relaxation of requirements foreign investment has provided added incentive to buy abroad. The process may be a slow one. however, as exports last year showed no real growth. doubling of gross dividends brings the yield up to 3.2 per

#### **Improvement** by Kleen-e-ze

An improvement in the second half of the year ended March 31, 1979 resulted in taxable profits of Kleene-ze Holdings rising from £492,575 to £550,949. At 28 eks the surplus was lower at steps up the total payment from 4.32p to 4.5p per 25p share.

#### Today's company meetings

British Home Stores, 129-137
Marylebone Road, NW, 11.30.
Chesterfield Properties, 1 Avery
Row. W, 11. De Vere, Connaught
Rooms, WC, 12. Ecclesiastical
Insurance Beaufort House, Brunswick Road, Gloucester, 1.45. Lee Cooper, The Inn on the Park Hotel, W, 12. Lilleshall, St. George's, Telford, Salop, 12. Atlantic Investment Trust 91 Waterloo Road, SE, 12. Tootal, 56 Oxford Street, Manchester, 3. Trust Union, Winchester House 77 London Wall, EC, 2.30.

some material facts about Tootal...



Tootal is much more than a leading brand name. The Group controls over 150 manufacturing units involved in all aspects of textiles from spinning in Lancashire to retailing in New York.

Famous in the UK for such products as Sylko and Star sewing threads, Osman sheets and towels, Tootal fabrics and menswear, Slimma separates and Van Allan shops, the Tootal Group operates in five continents and is still expanding. Recent acquisitions are Ups 'n Downs - a chain of fashion shops in America; and Bradmill - now the largest textile company in Australia.

results for the year ended 31st Januar	1979	1978
अव्योद्ध इं	£401.4m	£361.2m
profit before taxation	£21.1m	£21.8m
carnings on ordinary share capital	£13.4m	£14.3m
earnings per ordinary share	7.6p	8.lp
lividends per ordinary share	3.0415p	2.7238p

Post this coupon to the Secretary, Tootal Limited, 56 Oxford Street, Manchester M60 1HJ, for a copy of our 1978/79 Report and Accounts.

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	 _	 · — ·		 <u> </u>

part of the fabric of life... TOOTAL

# UBM **Group Limited**

- \* Considerable further progress reported for year ended February, 1979.
- \* Sales increase 28% to £247m.
- \* Pre-tax profits rise 67% to £6.0m.
- \* Total dividend of 4.73p up 10%.

**66** Results for opening months of current year encouraging - sales and profits well ahead of corresponding period of previous year - Board optimistic about results for the year as a whole**g**g.

Michael Phillips, Chairman.

UBM Group Limited, Avon Works, Winterstoke Road, Bristol, B\$99 7PL.

For a copy of the full Report write to The Secretary. -

Builders Merchants: Motor Dealers: Glass Merchants: Scaffolding Contractors: Overseas Merchants.

# **Property** Holding

HIGHLIGHTS FROM THE STATEMENT OF THE CHAIRMAN, MR. ARTHUR JOHN, CBE., FCA.

Year to 31st March, 1979

- Revenue before taxation £2.24 million, surpassing last year's record by £239,000.
- Earnings per share 9.31p (1978 8.00p).
- Dividend 7.50p per share, equivalent with tax credit to 10.90p.
- Total Reserves increased by 10.60p
- Directors' Valuation of properties £64.5 million, £26.6 million above book value.
- Quoted investments, cash and short term deposits £4.0 million.
- 40% increase expected in net income for shareholders by 1982.
- 2 for 1 capitalisation issue. Annual General Meeting Monday, 23rd July, 1979

# **BLOCKLEYS LIMITED**

(Facing Brick Manufacturers)

Improvement in trade anticipated following continuing modernisation programme

The Annual General Meeting of Blockleys Limited was held on 25th June, 1979, at Wellington, Salop, The following is the circulated review of the Chairman and Managing Director, Mr. T. J. B. Wright, B.Sc.(Eng.), C.Eng., M.I.C.E. The profits for 1978 reflect the difficult trading conditions

experienced by the building industry. There was a substantial increase in the number of bricks sold: many into a section of the market outside that which has been traditional to us. Your Company's policy of automation, to which I referred in my last Annual Review, has been implemented during the

We are presently commissioning equipment for automatic unloading, sorting and packaging of facing bricks. This machinery will improve the quality and presentation of our delivered products and will eliminate the last of the arduous heavy work in the brickmaking processes.

To preserve our liquidity, your Board has decided to finance the major part of the cost of this further modernisation by way of medium term leasing.

To ensure continuity of management, Mr. Stephen Powell and Mr. Brian Taylor have been appointed to the Board and Mr. John Snepherd a Special Director of the Company.

The forecast for 1979 is not easy: the first half will be adversely affected by the severe weather experienced at the beginning of the year, but there are indications that an improvement in trade should materialise.

#### **ANNOUNCEMENT**

# **'Verification** of car leasing confirmed by the budget's

- the cost of purchasing cars.

  \* Legislation now confirms that car leasing is an established and acceptable way of obtaining company cars.
- \* Leasing is now a major growth service industry.

  \* Car leasing can inject fresh capital into your
- company:

  \* Still 100% tax relief on rentals for cars valued up to

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Preliminary Announcement

**NET ASSETS** increased from £27m to £45m

BORROWINGS reduced from £20m to £9m

**NET ASSETS PER SHARE** 

PRE-TAX EARNINGS PER SHARE

TOTAL DIVIDEND PER SHARE

£4m which has been adopted.

Whitlock Corporation of U.S.A.

Share for every two held.

**Optimism** warranted

**GROUP** 

Overseas Growth.

acquisition of further Ford dealerships.

AFTER TAX EARNINGS PER SHARE

PRE-TAX PROFITS growth from £4.2m to £6.1m

Investment property capital expenditure programme

\* Expansion of Vehicle Distribution operations by the

Acquisition of 70% of Chevilles Bol in France.

Agreement to acquire controlling interest in The

\* Directors recommend a scrip issue of one Ordinary

L.C.P. Holdings Limited

PENSNETT TRADING ESTATE BRIERLEY HILL WEST MIDLANDS

**ENGLAND** 

continues at record levels. Pensnett, Stourbridge and

Willenhall Trading Estates show a valuation surplus of

-including development dealing surplus of £0.8m

A year of

significant progress

engineering concern to 11.29 per Trading Group, the Midlands engineering concern, yesterday Racal said yesterday: " We are revealed that talks which might fairly liquid, and the deal is part have led to a merger with an unnamed group had broken

**BIDS AND DEALS** 

Hanson pays

£2.5m for

CMT from family interests asso-ciated with Mr. N. N. Hickman,

the group chairman who is now retiring. Hanson paid 85p per share for

its stake in a deal worth £2.56m. Hanson, which was not

involved in the talks, said yester-day that its stake was considered

Racal Electronics has increased

its holding in Adwest Group, the

chief executive.

YEAR ENDED 31ST MARCH 1979

RACAL BUYS

142p (110p)

20.7p (17.4p)

13.8p (14.3p)

5.5p (4.79p)

UK COMPANY NEWS

#### But Hanson Trust the agri-products and industrial services BOUVERIE PROP. **BUYS CALIFORNIA** group, has stepped in and bought REAL ESTATE TRUST an 114 per cent shareholding in

Bouverie Properties, the wholly-owned U.S. property investment arm of the National

investment arm of the National Coal Board pension funds, has succeeded in its U.S.\$144m (£67.3m) bid for Continental Illinois Properties, the California real estate investment trust.

This marks the first major property purchase in the U.S. by the NCB pension funds, which has been investigating the market for about 12 months.

The NCB offer of \$30 a share was accepted by stockholders controlling an \$5 per cent interest in the trust which includes the Watergate office and hotel complex in its portfolio.

Earlier this year Brabant NV, a Netherlands corporation, made a \$25-a-share bid for the investment -trust. Both offers were unopposed by trustees of Continental Illinois.

The NCB pension funds will that his stake was considered to be "a long term investment."
Two Hanson men. Mr. A. G. L. Alexander and Mr. R. D. Cowell, are joining the CMT Board, while Mr. N. A. Hickman has been appointed chairman and

The NCB pension funds will now decide the best method of managing the trust's property folio, of which around a third is residential properties including a number of apartments in

#### STREETERS

Shareholders of Streeters of Godalming, the public works contractor, have approved a co-operation and subscription agreement which the group has entered into with Costain, the major international contractor. Costain owns 1.67m in

Strecters representing 22.5 per cent of the capital. Mr. E. A. Streeter has retired as a director and chairman of the group. Mr. Nicholas Streeter is to become executive chairman. Mr. Alan R. Gibson is to be managing director, while Mr. J. Reeve, managing director of Costain UK has been appointed to the Board.

DOLOSWELLA Doloswella Holdings is in talks which may lead to a major acquisition and the placing of 1.2m ordinary shares of the

#### MINING NEWS

# S. Africa short

SHARP economic upturn, of companies, has staked further leading to stronger demand for claims in Newfoundland, in the minerals could create a serious Deer Lake Basin area, following industry because of a sbortage of engineers, mining executives said yesterday.

They were commenting on the latest monthly bulletin from the Chamber of Mines which quoted the South African Federation of Societies Professional Engineers as saying that less than half the demand for engineers was being met.

The Federation had said that South African graduates met only 15 per cent of the mining and metallurgical industry's demands, white immigrants made

up a further 30 per cent.

Although there was a rough equilibrium between the supply and demand for mining and demand for mining engineers, the executives noted, there had been a shortage of mechanical and electrical engineers for some years and there were three metallurgical engineering posts for every one

graduate applicant.
To some extent this reflects a general problem in the international mining industry, but the South African situation has been exacerbated by the devaluation of the rand, which makes salaries less attractive than formerly, and

the deterrent of national military service demands. The shortage is likely to become more acute as the base metals and the coal industries

metals and the coal industries expand. They are more mechanised than the gold industry, which is based on a large but mainly unskilled or semi-skilled labour force.

At the same time the mining industry has to compete with the expansion of SASOL, the state coal-into-oil conversion agency, ESCOM, the state power utility. ESCOM, the state power utility, and manufacturing industry for the limited supply of engineers.

#### WESTFIELD MINS. SEEKS URANIUM

Canada's Westfield Minerals, a nember of the Northgate group

since talks are at an advanced To the Board comes Mr. J. stage Doloswella has requested Forsyth. that the Stock Exchange defer a resumption of the granting of permission to deal under rule

The group announced that Mr. have resigned from the Board. restored.

the discovery last October of high-grade uranium-mineralised "float" material and subsequent bedrock samples during trenching near Wigwam Creek.

In the 1978 annual report the company says that the Newfound-land property interests were extended from around 333,000 acres to around 355,000 acres at

The location of two radio-metrically anomalous areas by ground prospecting has prompted a detailed airborne radiometric survey of the area, which is scheduled to get under way this

Westfield owns 13.6 per cent of Northgate Exploration, has a 9.8 per cent direct interest in Vestgron Mines and a 22.5 per cent direct interest in Whim Creek Consolidated.

#### **URANIUM POLICY** CHANGE FOR S. AUSTRALIA

Mr. David Tonkin, the Opposi tion leader in South Australia has promised two leading West German mining companies, Bheinische Braunkohleawerke and Uranerzhergbau, that his state will drop its uranium mining ban if the Liberal Party is returned to power at the next State elections, writes Roger Boyes from Bonn.

West Germany has been increasingly concerned about guaranteeing future uranium imports, and Mr. Tonkin's visit appears to have opened up the possibility of a further source of supply. The present State Government, controlled by the Labor Party, has a ban on uranium mining.

During talks last week in Bonn and Cologne, Mr. Tonkin is understood to have reassured the companies that policy would be changed if the Liberals win power in elections expected next

HERON MOTOR

Heron Motor Group, which last week announced that it was in talks which could lead to a merger, yesterday said the dis-cussions have been terminated. F. Sheridan and Mr. E. Vandyk The share listing has been

# Exporting change by

THERE HAS been a major Knox Fibres should make a good change in the exporting contribution this year. The facbread and Co. The brewer has closed down its own import company, Bedford Importers handed the activity over to All Brand Importers, a subsidiary

of Standard Brands. All Brand will act as agents or Whitbread Ale and Mackeson Stout and for repackaging of

the group's products.

In his annual report Mr.
Charles Tidbury, Whitbread's
chairman, says he is confident the agents , who already carry a prestize range of imported beers from other countries, will do "a very good job." He says that on the licensing

front Mackeson is making excellent progress through pro-duction under licence at Heineken's National Brewing Company in Trinidad and their Windward and Leeward Brewery in St. Lucia. The Jamaican trade is also improving despite a difficult

economic period there.

A new Mackeson licensing operation has also been started up with Malayan Breweries in Singapore and arrangements have been completed for it to be browed in Nigeria. This latter operation is expected to get under way in the current

year. Overall, Mr. Tidbury says he is confident and optimistic for the future of the group. As reported May 26, taxable profit for the year to March 3, 1979. was ahead near 25 per cent to 54.35m on sales of £660m, against £573m. The company also plans to invest £230m over the next three years on public houses, catering and production

The net dividend is raised to 4.Sp (3.9782p).
On a current cost basis along (£9.6m) extra depreciation £4.6m (£5.6m) additional cost of sales less a gearing adjustment of £3.3m (£3.4m).

At year end hank overdrafts were down from £5.29m to £2.25m but loan capital was up from £149,199 to £180.031. Net liquidity was £6.75m higher dawn £646,000). Meeting at Brewery, Chiswell Street, EC, on July 24 at noon.

### Possible boost in dividend

at Cosalt At the annual meeting of Cesalt. Mr. John M. T. Ross, chairman, said that when the group had a scrip issue a year ago, it was announced that the dividend, if allowed, would be maintained on the increased share capital giving an effective increase of 50 per cent. In the week the increase went the increase of 50 per cent. In the event, the increase was limited

Next year, when dividend re-strictions had been lifted, the Board would bear in mind what

to 11 per cent.

Reviewing group activities, the chairman said that, in the ships' chandlery division, while some branches were still having prob-In particular, newly-acquired

caused by the reorganisation and rebuilding within the Civil Service Store in the Strand has had, as anticipated a severe effect on the trading activities.

"Your directors had been signed to build a service store in the Strand has had, as anticipated a severe effect on the trading activities.

"Your directors had alternated by the reorganisation and rebuilding within the Civil Service Store in the Strand has had, as anticipated a severe effect on the trading activities. proved possible to quantify the effect of this upheaval some Toyo net machines under licence. The rights to manufacture and sell throughout Europe had been

#### **Bond Street Fabrics** in loss

FIRST-HALF performance was worse than anticipated at Bond Street Fabrics with a fall from a £248,000 pre-tax profit to a 238,000 loss for the period to March 31, 1979. The interim dividend is being passed and the company does not envisage any significant improvement in results for the second six moreover. Conditions in the jersey division continue to be difficult. Also the knitwear organisation in Scotland has performed dis-appointingly for, while it has a full order book, profits have been eroded through increasing costs and some loss-making operations. However, the directors are con-

fident that once the steps now being taken have had time to take effect the company will return to satisfactory profit-Last year an upsurge in demand in the jersey side enabled the group to hold profit at a record £451.224 (£441,231).

The net interim last time was 0.75p. The Board now says that recovered of a final for 1952/79

payment of a final for 1978/79 will depend on the results. a current cost basis along the Hyde Guidelines profit is cut activities are the manufacture of £2.5m (£31.7m) by £10.6m and distribution of believed and distribution of believed the control of the cont wear, were lower at £4.16m (£4.39m) for the half-year.

#### Country and New Town qualification

By Andrew Taylor
Auditors, Peat Marwick
Mitchell have qualified the latest
accounts of Country and New
Town Properties, the property investment and retail group. Peat Marwick say in the annual report that it is "unable to form an opinion as to whether the consolidated profit and loss account gives a true and fair view of the results of the group for the year to January 31, 1979. The auditors are concerned that a £617,719 loss attributable to the group's Civil Service Store, in London, has been included as redevelopment costs.

Consequently group results before taxation and extra-ordinary items excluded any £460.504 compared with the previous year's £458,248.

Mr. Gerald Newton, chairman,

amount relating to the activities of that store," says Peat Marwick. Country and New Town's accounts shows pre-tax profits of

£600,000 has been added to the cost of the store redevelopment." He said that including the £600,000 the total cost redevelopment amounted £2.4m at the year end but the Board was satisfied, after consultation with its professional advisors that market value of the property "substantially exceeds the current book value of 13.75m."

Auditors also qualified the accounts on a second count. It says: "No estimate has been made for the amount of tax on capital and development gains which would become payable under present legislation in the event of future sales of the UK properties at the amounts at which they are stated in the

#### **Property** Holding expansion

Gross revenue of Property Holding and Investment Trust rose from £2.83m to £3.12m in the year to March 31, 1979 and pre-tax revenue was up from £2m to £2.24m.

Earnings per 25p share are 9.31p (8p) and the dividend is raised from 6.598p to 7.5p with a final of 4.5p net. A two-for-one Tax took £1.11m against £1.03m. The net asset value increased by 22 per cent to

485p.
The directors state that at present rental levels, the current forecast shows that by 1982 the net income from properties net income from should reach £4.3m.

The exceptional expenditure, referred year, has been delayed. In these circumstances the directors expect to be able to recommend the steady increase of dividends.

#### Caledonian Cinemas 7

For the year to March 31, 1979 pre-tax profits of Cale-donian Associated Cinemas improved from £468,000 to £737,000, on turnover of £7.17m against £6.35m. The net final dividend is 5p for a 6p (3.623p) total on stated earnings per 25p share of 111p

compared with 60.5p. £286,000 After tax of £286,000 (£219,000) and extraordinary credits of £170,000 (£59,000). attributable advanced from £308,000 to

The directors propose that £400,000 of the authorised and unissued ordinary share capital of the company be re-classified as 400,000 5; per cent non cumulative second preference says in his annual report: shares, to be issued to ordinar "During the year the disruption holders on a one-for-one basis." shares, to be issued to ordinary

£621.000.

Pauls & Whites Ltd. produces malt. hop extracts caramel, flour ast year, thank to the goodwill of OFFECISIONE STAND the efforts of our

statt. our turnover was up 30% at £90m 📱 £112m 🚆 £129m 🚆 £144m

Jurexports were

£7.6m. £2.8m £4.4m £5.2m £6.2m £7,6m 1975 1976 1977 1978 1979

Our after-tax profits were up 18% at to.lm.

£1.8m £2.7m £3.8m £4.3m £5.1m 1975 1976 1977 1978 1979 Our earnings per

Copies of the Report and Accounts can be obtained from: The Secretary, Pauls & Whites Limited 47 Key Street, Inswich

MINING - CONSTRUCTION - COMMERCIAL **Burnett & Hallamshire Holdings Limited** 

"with the prospects of an improvement in the business climate, the search by the

119 Psalter Lane, Sheffield S11 8YS. Telephone: 0742 57444 Copies of the Annual Report & Accounts are available from the Company Secretary.

Burnett & Hallamshire Holdings Ltd. 119 Pseiter Lane, Sheffield S11 8YS.

( صلّه اصند لِلْصِل

1979 Year ended 31 March £000's 42,596 37.392 Group Turnover Profit before Taxation 3,530 3.075

2,638 2.307 Profit after Taxation 46.10p Earnings per share Dividend per share Value per share . It is the Directors intention to reduce net dividend cover to no more than five times fully taxed earnings.

Company for appropriate acquisitions and the increasing demand for energy, optimism is warranted." **NIGEL E SWIFFEN** Chairman

The British

Pub and

**Competition** 

It is a fact that the licensing

law under which our brewing industry trades restricts to

some extent the granting of onlicences but, as a result; this country is saved from the social

disadvantages that a prolifer-

ation of licensed outlets could

Over the years, the brewing industry would argue that their

ownership of pubs has been

beneficial to the public, in that not only has it preserved the pub itself but it has provided

the customer with a cheaper pint of draught beer from the

distribution advantage of this system. It has also kept in

being some 80 independent

brewing companies with their

local types of beer, over 1,200

at the last count - a far larger number of breweries and

brands than in most countries.

The interchange of houses

agreed with the last Govern-

ment should, over the next five

years, and aided by a natural

swing to a smaller number of

brewer-owned houses, remove

any undue concentrations of

ownership in a local area of

more than 100,000 population.

The Monopolies Commission,

in . 1969, investigated the in-

dustry thoroughly from the

point of view of competition,

and since then the problem

seems to have been that, on

almost every occasion when the

brewing industry has sought to

put up its prices, some brewers

have been subjected to investi-

gation, theoretically on the

question of price, but in

practice on the question of

competition, despite the fact

that beer prices have kept

behind inflation rates. After all

the recent investigations by

hope the system that has

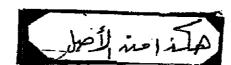
produced the British pub, which is unique in the world,

and also our draught beer.

which is also virtually unique,

will be allowed to continue

without further interference.



AND COMPANY LIMITED

# l year of good rogress

e chairman's report for the year ended rch 3, 1979

ARLY every Annual Statement about the brewing industry talks eat deal about the weather, and also the economic climate: Last the summer until September was poor but we had a long warm imn which, combining with an increase of money in people's kets, because wages generally were above the rate of inflation, int that we had favourable trading conditions. This was followed anuary and February by the long hard winter of the transport te and bad weather, to which the Company responded magniftly — as Whitbreads always do in a crisis.



Profits before taxation and service as well as competitively extraordinary items were 24.9% up, and although the second half showed a slowing down of profit compared with the first half, this was largely due to the fact that we did not increase our prices during the year, and unavoidable inflationary costs diminished our margins by the end of the year.

We can be pleased with these results, for they were achieved, amongst other reasons, by a marked improvement in industrial relations. Our record of unofficial stoppages dropped dramatically last year, and we were able to provide our customers with a much better

# HE PRICE COMMISSION

of you will already know from Press comments that Company has recently been under investigation by the Commission, and I do not intend to burden you with any details. However, I equally feel you will expect a contine loss of profits of approximately £5m which thered between the 7th March and the 10th May this ar the hands of the Price Commission, and I think a points should be made on behalf of the Company.

morny of our com-

investigation was cond between February and and, although we coted fully with the investiteam throughout this d, we also fought hard to o obtain our requested increases. This we manon issued, in all, four tion Notices during the tigation, the last of which, a on the 4th May, made we had originally applied.

me of £5m.

although the end result satisfactory, in that we satisfactory, in that we include our price increase, the fr of the delay has been to see on this Company a fine approximately (5m. It is our se on this Company a fine proximately £5m. It is our intention to try to make as much of this as we ibly can in trading and iency, although I do not and at the end of the day, Price Commission will have man lot in profit.

> nuch for the history, but r I believe to be more destroyed or returned to us. ortant is the future. It is haps as well to remember this machinery of price trol was brought into being Conservative Government, subsequently refined and ended by a Labour Governnt. Your Company suffered. vily from the end product, main characteristics of ich perhaps can be sumrised as follows.

Emilividual, in this case the ible company in the private impany, that one expects sector of industry.

history of the investi- from the British judicial sys-is briefly as follows: In tem. A Commission that did ry of this year, we applied not have to give intelligible price increase, having reasons for its decision, against tarily held our prices for which there was no meaningful evious twelve months, as right of appeal, and no apparent he majority of our com- redress at law except possibly Ts. For reasons that have in the most extreme cases. A been made clear to us, company under investigation pread and Bass were re- was debarred from putting its for an investigation and own case to the full Commisrices were frozen, whilst sion, nor had it any voice in the h restraint was placed on selection of those who were to judge its business, very few of whom had significant commercial experience.

#### No fair reason

The Report of the Commission contains one or two minor criticisms of the business, of which we were already aware, to achieve, and the Com- and which were being tackled, but can in no way add up to grounds for so heavy a fine. The Report implies that in some way the £5m penalty was ir prices to the figures for justified because of the financial policy of this Company in making loans to Free Trade customers. Such policy is common practice throughout the brewing industry, and I can, therefore, see no fair reason why your Company should be singled out on these grounds.

At the time of writing this Report, we believe it is the intention of the Government to Distillers of abolish the Price Commission. It should be remembered that cacy, although I do not Whitbread, along with many other companies, had to submit on any in the end of the day, to the Commission large quantity tities of highly confidential information, and we regard it as of paramount importance that such information be either

The abolition of the Price Commission may be a great relief at this time but experience suggests that mechanisms of government of one sort or another have a nasty habit of repeating themselves, perhaps in a slightly different guise. I believe that our recent experience should teach us to watch carefully that, in future, commerce and industry guard their organ of government oper- lines constantly, in fair weather ng with very extensive and and foul, to try to ensure that sely-defined powers: very we achieve the sort of legisich as a court of law but lative climate in which we can thout the protection given to prosper and grow as a respons-

priced first-class products.

#### **Beer Sales** Success

Despite the poor summer, lager returned to pre-1977 growth levels and now accounts for 30% of our market. Strong sales of Whitbread Trophy Bitter encouraged us, and the continuing success of Marlow Bitter, Pompey Royal and some further local beers which have been launched, such as Welsh Bitter and Tusker in Kent, gives us confidence that our local company plans are soundly based for further penetration of the

Success of our two main lagers, Heineken and Stella Artois continued. We have now added to these with a launch of ancillary lager brands in Heldenbrau, a low carbohydrate lager on draught, and in 16 oz. cans largely for the take-home trade, and Royal Kaltenberg lager which we developed with the Royal Bavarian Brewery, and is available on draught and as a Diat Pils in bottle.

The improved trend in sales which I mentioned last year in Gold Label, English Ale and our speciality beers has also continued, and Mackeson maintained its position as the leading brand in the sweet stout market.

On the retail side of our business, we were helped by improved profits from Beefeater Restaurants in the South East, Trophy Taverns in the West Country and Duttons Grill Rooms in the North.

#### Long John **Progress**

Good progress has been main-tained both at home and overseas for the main Long John brand, as also for our malt whiskies, Laphrozig and Tormore, whilst Plymouth Gin has shown continued growth in the home market. We are pleased with; and proud of, our investment in Long John Inter-

Unfortunately, our export performance in the last months of our financial year was marred by the transport strike, which prevented our getting whisky shipments into the docks and away on time to our overseas

#### Highland California

Towards the end of the year, at the invitation of the family owners of the business, we acquired a controlling interest in the Highland Distillers Corporation of California. This company owns the fast-growing Scoresby Rare Scotch Whisky, the leading brand of Scotch in California and other Western States of America, for which Long John International supplies the blend from its distilleries in Scotland.

This acquisition meets the three objectives of increasing our export sales, of securing supply to an increasingly important whisky customer, and giving Long John International a significant investment opportunity in the U.S.A. in line with Whitbread's policy of overseas diversification. We have high hopes for Scoresby's

#### **OUR RESULTS**

Year to March 3, 1979

£000's	3/3/1979	25/2/1978	UP
Turnover	659,886	573,369	+15%
Profit before Taxation	54,350	43,518	+24.9%
<b>Current Taxation</b>	9,525	6,786	+40.4%
Ordinary Dividends	10,954	8,948	+22.4%
Retained in the Business	35,072	28,921	+21.3%

**Earnings per share (basic)** 

19.48p

53 weeks to

16.13p

52 weeks to

+20.8%

# Well done!

I would like to pay tribute once again to our retailers and also to all the people in our Company who have made these results possible. They have all done well and shown once again that they can rise to an occasion in times of trouble. I count myself lucky to be supported by such a great team in Whitbread and Company.

have enclosed with our Report a copy of the Report to the Employees of Whitbread and also a booklet called This is Whithread.

# **FIVE YEAR RECORD** Turnover (m) Profits before Tax (m) 1976 1977 1978

#### Production and **Quality Control**

Following several years of extensive development work, it has been possible to introduce into our newest breweries techniques which have increased substantially the productivity of the plants and, at the same time, have enhanced the keeping quality of the beer.

Overall, I believe the quality of our finished products has never been better, thanks to concentrated and dedicated attention to detail by all our people. The measure of their success is the esteem in which our products are held by the public.



### TWO NEW PRODUCTS ARE LAUNCHED

I have mentioned Heldenbrau and Kaltenberg, the new lagers which the Company launched in June this year, and we believe the development of new products in all sectors the Company's business will become increasingly important in the future. What pleases me so much about Heldenbrau and Kaltenberg is that they taste so good and are really well-balanced products, and I believe there should be a good chance of a great consumer demand for them.

#### Growth potential for Langenbach

Our German wine subsidiary, however, that there is consider-Langenbach, has had a good year financially, with increases in trade in the domestic German-market and in the U.K. but a slowing down in the United States and some secondary markets, to some extent due to the strength of the

able growth potential for Langenbach's excellent wines in both home and overseas markets - in particular, the United States - and we have embarked on a major investment programme at Worms to renew and expand our production Deutschmark. We believe, facilities there.

#### Beer Export and Licensing

Although financial results in Belgium last year showed a marked improvement as a result of the completion of a programme of rationalisation and reorganisation, the trading environment generally was a difficult one, with premium beers feeling the effect of the general economic situation.

our export operation to the United States by closing down our own import company, Bedford Importers, and appointing All Brand Importers now a subsidiary of Standard Brands - as our agents for Whithread Ale and Mackeson Stout and for repackaging our

We have every confidence that All Brand Importers, who already carry a pressige range of imported beers from other countries, will do a very good iop tor Whitbread and Mackeson.

On the licensing front, too,

During the year, we have con- Mackeson is making excellent siderably altered the nature of progress through production our export operation to the under licence at Heineken's National Brewing Company in Trinidad and their Windward and Leeward Brewery in St. Lucia. The Jamaican trade is also improving, despite a difficult economic period there.

A new Mackeson licensing operation has been started up with Malayan Breweries in Singapore, and we have good hopes for this market also. Arrangements have now been

completed for Mackeson to be brewed in Nigeria, and this operation is expected to get under way during the present

#### THE FUTURE

Obviously the setback of £5m off our profit budget (to which I refer in my comments on the Price Commission) is a very big handicap but we have decided, nonetheless, to go flat out for our original budgets. Despite this financial penalty, and estrate our confidence in the future, we plan to invest approximately £230m in total over the next three years in public houses, catering and production facilities.

We have had some unofficial become more prosperous, and ensuring commercial success.

We are in business to serve our I know the Company has customers. It is only through the Company's success in the market place that our jobs are

have partly recovered the posi-V.A.T. and the duty would probably mean a difficult half- am also confident and optiyear's trading. However, long mistic for the future of Whitterm, if this country is to bread and Company.

industrial action this year but I individuals have more money believe there is a general and in their pockets to spend as increasing understanding by they choose, I am confident the people of Whitbreads that our future as traders in pubs, if we stick to our agreements clubs, eating and drinking out and serve the customer, that is and at home must be good. We the best way to achieve our should also be able to encourindividual aspirations as well as age and take advantage of the tourist trade in this country.

accepted the challenge of the coming year and will do its utmost to succeed - free this time, I hope, from Government I hope, therefore, that by the interference and penalties that end of the full year, we may have frustrated us so much in the past year. I am always an tion, although an increase in optimist for the future of this country and its development. I

**New Magor Brewery** We have suffered some delay

> to the completion of our Magor Brewery. This has been largely due to the appalling weather conditions during the winter months, and the lorry drivers' strike affected supplies of building materials, which added to the delay in completion. We now expect to be under-

taking commissioning trials during the summer and to go into production in the autumn of this year. Magor will be producing a significant amount of our lager requirements by the spring of next year.



CHISWELL STREET

DEVELOPMENT

Stables for the famous Whitbread Shire horses will be part of the attraction of the redevelopment of Chiswell Street.

I am pleased to report that Chiswell Street will once more attendance at the Overlord come alive and be playing its Embroidery has already inpart in this great capital of creased to over 1,000 a week.

The whole development is On the south side of Chiswell progressing, and one of the Street, the old Porter Tun office blocks on the south side is Room is now completed, to approaching the topping out provide banqueting and conference facilities in this unique stage. The retained buildings setting. We have a healthy will house our offices in the centre, and with the attendant order book for use of the attractions of our stables, premises in its first half-year of horses, the Overlord Embroidoperation, and a very encouragery, shops and supermarket, as ing volume of enquiries for the well as 140 flats for Islington future. It is a fitting and unique use of our historic room where, Council and the squash and gymnasium complex on the in the past, 900, of Whitnorth side, the Brewery site at bread's beer was fermented.

# New Board

Member

We were fortunate that Sir Charles Troughton, ex-Chairman of W. H. Smith and now Chairman of The British Council, agreed to join our Board. in October 1978. His wisdom, and experience are invaluable

#### Energy Conservation

We have all been made aware of the need to conserve energy. We believe that we can make a significant contribution to the reduction of fuel consumption both in our industrial premises and in our retail outlets. In November 1978, therefore, we set up an energy management team which is advising all our companies on the methods of reducing fuel consumption.

Annual General Meeting: 12 noon, Tuesday, July 24, Brewery, Chiswell Street, London ECXY 4SD.

has acquired the Pharmaceutical Products Division of

Mallinckrodt, Inc.

We initiated this transaction on behalf of Carter-Wallace, Inc. and assisted in the negotiations.

#### Donaldson, Lufkin & Jenrette

June 27, 1979

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**EDUCATIONAL** 



#### AFFILIATION OF A CALIFORNIAN BANK WITH THE

B.N.P. GROUP

B.N.P. and BANCWEST CORP., parent of BANK OF THE WEST created in 1874 in San Jose, have signed on June 14. a letter of intent in terms of which B.N.P. proposes the affiliation of BANK OF THE WEST, 14th Californian bank by the total of its below that by the total of its balance-sheet.

It has been planned that this bank, after merging with FRENCH BANK OF CALIFORNIA, a subsidiary of the B.N.P., based in SAN FRANCISCO, will keep the name BANK OF THE WEST. The total cumulated balance-sheet of both establishments amounted to nearly \$700 million as at December 31, 1978; the combined bank will have 42 offices situated in Northern California as well as Southern California.

The proposed merger will expand B.N.P.'s international activities particularly those in the United States and in the Pacific Area: the transactions will be concluded only after agreement from relevant governmental bodies.

INTERNATIONAL SUMMER SCHOOL 1979

# **Financial Management** for the Non-Financial Executive

**LONDON JULY 9-20 1979** 

The increasing amount of accounting and financial management needed to run a modern successful business is placing great strains on middle and senior management not trained in accountancy. To meet this problem, the Financial Times and The City University Business School, of London, have arranged a two-week course entitled 'Financial Management for the Non-Financial Executive' to be held in London from July 9-20, 1979.

This course was last held in 1978 and attracted substantial support from Britain and abroad. The suggestions of tutors and course participants in 1978 have been taken fully into account in preparing this year's programme and the sponsors believe its value will have been increased still further.

The course will be headed by a former finance director of a major industrial company and a merchant banker, and the panel of 22 distinguished lecturers are drawn from universities, commerce. accountancy and banking. The participants will be divided into study groups of fifteen people headed by a group leader. The ten days of instruction are broken down into lectures, case studies and various group exercises so that the students take an active part in the programme.

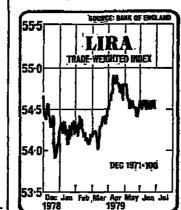
Apart from being a thorough two-week programme of studies the Summer School also offers an authentic insight into workings of the City of London and provides opportunities for making useful contacts with people and institutions.

Please send me juriner details of I	NTERNATIONAL SUMMER SCHOOL 1979
NAMECOMPANY	TITLE
ADDRESS	
	TEL:

# Dollar firmer

would cut its imports of energy by the end of the year.

The pound opened at \$2.1570-\$2.1580, and rose to \$2.1665-\$2.1675 on good demand for sterling. There was also some selling, but buying predomi-nated, with the Bank of England intervening in a small way from time to time. In the afternoon the pound fell to \$2.1350-2.1360, hut improved at the finish to \$2.1515-2.1525, a fall of 70 points



Sterling's trade-weighted index. as calculated by the Bank of England, was unchanged at 68.9. after standing at 68.8 at noon and 69.1 in the morning.
The dollar's index, on Bank of England figures, rose to 85.0 from 84.7. The U.S. currency rose

BRUSSELS — The Belgian six week low of Y212.50 in the franc was fixed at BFr 16.02125 morning on selling by foreign against the D-mark, compared banks.

Sterling closed slightly easier against the U.S. dollar and a sharp improvement from its unchanged in terms of major currencies in general yesterday. The Dollar gained ground against other major units against other major units following the statement by Mr. Michael Blumenthal, the U.S. Treasury Secretary, that the U.S. improved to 72 per cent diversed to 73 per cent diversed to 75 per ce improved to 72 per cent diver-

gence from its ECU central rate, compared with \$1 per cent on the previous day. Very high the previous day. Very high interest rates in Belgium have shown an effect, after the central bank has spent millions of D-marks and dollars to defend the franc in recent weeks. Yesterday the Belgian National Bank bought an estimated DM 4m to prevent too high a rise by the franc. FRANKFURT - The Bundes bank bought \$17.05m when the

dollar was fixed at DM 1.858 against the D-mark, compared with DM 18409 previously. It opened at DM 18445 and improved on U.S. Treasury Secretary, Mr. Michael Blumen thal's statement that the IIS would reduce its oil imports by 1m barrels a day by the end of the year. The rise of the dollar was also helped by technical factors, and it was generally felt that in the longer run the U.S. currency would react sceptically to good intentions by the U.S.
MILAN—The dollar improved against the lira at the fixing, while sterling and EMS currencies weakened. The U.S. currency fell to a six-month low of L836.30 from L831.05. The pound declined to L1,790.50 from L1,795.80, with the D-mark fall-

ing to L450 from L451.51, and the Swiss franc to L501.60 from L506.38.

TOKYO — The dollar fell to to DM 1.8500 against the D-mark It opened at Y213.30 and from DM 1.8395, and to SwFr 1.6625 in terms of the Swiss franc from SwFr 1.6435. Y214.60 against the yen at the

#### EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	amounts against ECU June 26	from central rate	% change adjusted for divergence	Divergence (imit %
Belgian Franc	39,4582	40.3634	+2.29	+1.47	±1.53
Danish Krone	7.08592	7.25952	+2.45	+1.63	<u>∓</u> 1.635
German D-Mark	2.51064	2.52021	+0.38	-0,44	±1.1325
French Franc	5,79831	5.84139	+0.74	-0.08	±1.35
Dutch Guilder	2.72077	2.76844	+1.75	+0,93	÷1,5075
Irish Punt	0.662638	0.669007	+0.96	+0.14	±1.665
Italian Lira	1148.15	1134.30	-1.21	-1.21	±4.0725
Chassas	tas E	MI	itim at		_

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

#### THE POUND SPOT AND FORWARD

June 26	Day's spread	Close	One month	p.a.	Three months	,
U S. Canada Nethind. Betgrum Denmark Ireland W. Get. Portugal Spain Italy Norway France	2.1350-2.1675 2.4880-2.5260 4.357-4.401 63.80-84.15 11,44-11.53 1.0520-1.0580 3.961-4.01 104.60-105.70 141.50-143.10 1,785-1.803 10.25-11.02 9.20-9.28	2.1575-2.7525 2.5075-2.5085 4.377-4.383 63.75-63.85 11.47-11.48 1.0548-1.0558 3.96-3.99 105.30-105.60 142.05-142.1 1.7577-1.7857 10.583-10.583 9.22-9.23 9.21-9.23	0.77-0.67c pm 0.85-0.75c pm 21-15c pm 25-15c pm 25-15c pm 23-33p dis 31-21-50 pm 40-100c dis 90-30c pm 1-3 lite dis	4.01 3.83 6.17 3.76 1.57 -3.18 9.41 7.87 4.64 ►1.33 4.91 3.58	1.83-1.73 pm 2.05-1.95 pm 54-54 pm 60-50 pm 3-1 pm 3-1 pm 79-89 dis 8'-74-91 pm 135-235 dis 105-55 pm 3-24 dis 142-124 pm 74-64 pm 74-64 pm	
Sweden Japan Austria Switz.	460-470 29.10-29.40 3.54 <sup>2</sup> -3.60 <sup>3</sup> 2	4631,-4641, 29.23-29.28 3.674-3.584	4.10-3.70y pm 20-10gro pm 43-34c pm	10.07	10.25-9,85 pm 47-37 pm	8 5 13

#### THE DOLLAR SPOT AND FORWARD

	Ďay's			٠,	Three	_
June 26	spread	Close .	One month	p.a.	months	p
UKT	2.1350-2.1675	2.1515-2.1525	0.77-0.67c pm		1.83-1.73 pm	
relandt	2.0360-2.0476	2.0385-2.0415.	1.35-1.15e pm	7.36	3,50-3,20 pr	n 6
Canadat	85,75-85.80	85.76-85.80	0.03-0.01c pm	0.28	0.05-0.02 pr	n O
Nethind.	2.0300-2.0420	2.0390-2.0410	0.65-0.45c pm	2.94	1.20-7.10 pm	a 2
Belgium	29,60-29.70	29.68-29.68	0.01c dis-0.01 am		0.02 dis-par	
Denmark	5.3255-5.3290	5.3260-5.3285	0.65-1.15ere dis	-2.02	3.25-3.75dis	2
W. Ger.	1.8495-1.8515	1.8500-1.8510	0.90-0.80pf pm		2.50-2.40 pr	
Portugal	48.80-49.15	49.07-49.12		-9.77	90-130 dis	"-ĕ
Spain	66, 10-66, 20	66.13-66.16	par-10c dis		25-35 dis	7
Italy	834.25-835.40	835.80-835.30	3.25-4.25 lire dia	-5.38	7.25-8.25dis	: — š
Norway	5.0910-5.1150	5.7115-5.1125	0.75-0.25ore pm		2.55-2.05 on	
France	4.2800-4.2880	4.2800-4.2840	par-0.10c dis	-0.14	0.15-0.35dis	_ o
Sweden	4,2700-4.2860	4.2847-4.2857	0.20ore pm-par	0.28	0.50-0.30 on	n O
Japun	215.50-216.50	215.60-215.80	1.15-1.05y pm	- 6.12	3.00-2.90 nn	n 6
Austria	13.58-13.60	13.59\-13.60\	4.50-3.50grc pm	.3.53	13.50-10.50g	m 3
Switz.	1.6590-1.6620	1.6600-1.6615	1.43-1.38c pm	10 15	4.12-4.07 pm	n 9.

CURF	ENC	CY RA	TES	CURRENCY MOVEMEN					
lune 25			European Currency Unit	June 26	Bank of England Index	Morga Guaran Ichange			
rling	912 1114 334 9 8 4 7 912 1012 414	1,29269 1,51284 17,4938 38,1731 6,85320 2,37971 2,61188 5,52043 1074,23 279,609	0.633002 1.36760 1.60078 18.5173 40.4194 7.24828 2.51844 2.76734 8.84170 1136.82	Sterling U.S. dollar Canadian dollar Austrian schilling Belgian franc Danish kroner Danish kroner Deutsche Mark Swiss franc Guilder French franc Lira		-35. -8. -16. +18. +2. +42. +82. +18.6 -7.1 -49.2			
vgn, K snish Pes edish Kr	7 8 64	6,65523 85,3990 6,50751	6,93715 90,2958 5,83036	Pased on trade we	inhted oh	+31.8			

#### OTHER MARKETS

June 26	£	*		Note Rates
Argentina Peso	2798-2818	1300-1309	Austria	283,.293,
Australia Dollar	1.9145-1.9185		Belgium	
Brazil Cruzeiro	54.42-55.42	25,29-25.75		11.40-11.5C
Finland Merkka	8.35-8.37	3.8880-6.8900	France	9.15-9.25
Greek Drachma.	; 78.515-80.40 <b>5</b>		Germany	3.92-4.0212
Hong Kong Dollar	10.935-10.960	5.0960-5.1000	Italy	1,765-1,305
Iran Rial	153.75·163.75		Japan	460 470
Kuwait Dinar (KD	0.591-0.601		Netherlands	
Luxembourg Frc.	63.75-63.85	29,63-29,65 .	NOTWAY	10.90-11.00
Malaysia Dollar	4.6650-4.6760	2,1680-2,1690	Portugal	101-105
New Zealand Dir.		0.9865-0.9900	Spain	140-144
Saudi Arab. Riyal	7.25-7.36	3.3840-3.5885	Switzerland	3.50-3.60
Singapore Dollar.	4.6610-4.6720		United States	.2.15lg-2.16l
Sth. African Rand	1.81-1.82	0,8410-0,8455	Yugoslavia	3912-4212

#### **EXCHANGE CROSS RATES**

June 26	PoundSterling	U.S. Dollar	Dautschem'k	Јарел'se Yen	FrenchFranc	Swiss Franc	Dutch Guild'r	italian Lira	Canada Dollar	
Pound Sterling	0.465	2.152	3.985	464.0	9.225	3.578	4.878	1798.	2.508	63.80
U.S. Dollar		1.	1.852	215.6	4.287	1.662	2.034	835.6	1.165	29.65
Deutschemark	0.251	0.540	1.	116.4	2.315	. 0.898	1.098	451.3	0.629	16.01
Japanese Yen 1.000	2.155	4.638	8.588	1000.	19.88	7.710	9.434	3876.	5.405	137.5
French Franc 18	1,084	2.333	4,320	503.0	10.	.5.878	4.745	1949.	2.719	69.16
Swiss Franc	0.280	0.602	1.114	129.7	2.579	1.	1.224	502.7	0.701	17.85
Dutch Guilder	0.228	0.492	0.910 /	106.0	2,107	0.817	1.	410.8	0.573	14.57
Italian Ura 1,000	0.556	1.197	2.216/	258.0	5.130		2.434	1000.	1.395	35.48
Canadian Dollar	0.399	0.858	1.589	185.0	3.678	1.426	1.745	717.0	1.	25.44
Belgian Franc 198	1.567	3.373	6.245	727.3	14.46	5.607	6.861	2819.	3.931	100.

#### **EURO-CURRENCY INTEREST RATES**

June 25	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder		West German Mark	French Franc	Italian Lira	Asian S	Japanese Y	ç
Short term	1412-15 1414-145 <sub>3</sub>	10½-10½ 10½-10¾ 10½-10½ 10½-10½ 10½-10½ 10½-10½	912-1012 912-1012 1058-11 10:÷1116 10:4-116	7.714 7.711 8-814 811-9 918-958 918-958	58-34 114-132 12-175 118-114 154-178 218-214	558 512 558 512 516 514 516 514 616 618 616 618	812-912 512-912 11-1114 1111-1112 1114-1112	131 <sub>2</sub> -141 <sub>2</sub> 131 <sub>1</sub> -141 <sub>4</sub> 18-15		25, 7, 1 21, 4, 5 43, 65 5, 5, 6, 1 81, 85, 5	
						<del></del>					···

INTERNATIONAL MONEY MARKET

### Further cut in Dutch rate

rate was cut yesterday by 1 per against 81-83 per cent. The cent to 63 per cent, quickly three-month rate was quoted at following last week's reduction 84-83 per cent from 81-83 per from 71 per cent to 7 per cent. cent, with six-month money at Conditions were much easier in 91-93 per cent against 91-91 per the money market yesterday with the fresh source of funds coming mainly as Government disburse-ments. Rates were generally expected to remain fairly stable, although official payments due at the beginning of July are likely

to push up rates once more. In the interbank market call money fell sharply to 63-73 per cent from 73-73 per cent, and

**UK MONEY MARKET** 

Bank of England Minimum Lending Rate 14 per cent

Day to day credit proved to

be in shorter supply than origin-

ally expected in yesterday's money market, and the authori-

ties gave assistance by buying a small amount of Treasury bills

tion bills. In addition they lent a large amount to six or seven

houses at MLR, for repayment

LONDON MONEY RATES

small amount of corpora-

The official Dutch call money the easier trend at 8-8; per cent. The

cent. FRANKFURT — Interbank

cent on Monday, and six-month money eased from 6.70-6.90 per

Very large assistance

money rates showed a rather mixed pattern yesterday with call money quoted at 5.50-5.70 per cent against 5.50-5.60 per cent aud one-month money easing to 5.50-5.70 per cent. The three-month rate was also down at 6.30-6.50 per cent compared with 6.40-6.60 per cent on Monday, and six-month

today. Total assistance was termed as very large. There were

no factors in the market's favour, but on the other side revenue

transfers to the Exchequer ex-

ceeded Government disburse-

ments by a small amount, and there was a small rise in the note

circulation. Banks brought for-

ward balances some way below

target and there was the repay-

Discount houses were paying

of Monday's moderate

ment of Mond official advances.

7.10-7.30 per cent from 7.00-7.20

the authorities to raise their money market intervention rates. While call and one-month money remained steady at 81 per cent and 81-85 per cent respectively, longer term rates were quoted higher, with three-month money at 9.9; per cent against 81, 91, per cent previously, and six-month money rising from 914-914 per cent to 91-91 per

13-131 per cent for secured call loans at the start with closing balances taken in the region of

131-132 per cent. In the inter-

day. Rates tended to ease during

the afternoon to close at 131-14

nominal in some cases.

Raies in the table below are

per cent.

PARIS-Interest rates confollowing Monday's decision by

\$2821 in moderate trading opened at \$2821 \$2831, and fixed at \$281.90 in the more and \$281.45 in the afternoon. krugerrand's premium over gold content widened to 3.41 cent from 3.22 per cent.

\$281.45 \$283.85 (£131.212) (£131.260

GOLD

Weaker

fixing Gold Coins, domestically rugerrand;53905-2925;529119-291 [6:135-136] [8

Gold Cotts, internationally, (221-22), (221-22 bank market overnight loans opened at 14-14; per cent and rose to 14-14; per cent before touching 14-14; per cent at noon, its highest level for the

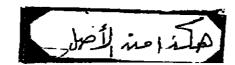
In Paris the 121 kilo gold was fixed at FFr 40,900 per ki (\$295.43 per ounce) in the air (8297.90) in the morning, an FFr 41,000 (\$298.61). Monda

afternoon. In Frankfurt the 12½ kilo br was fixed at DM 16,785 per ki

MONEY RATES

# NEW YORK GÉRMÁNY

fouses Base Rate (published by the Finance Houses Association) 12 per cent from



# The contest for influence over Furness, Withy

BY JOHN MOORE

TTY controversies in ears have generated as eat as the contest of dernational and Euro-1 Shipholdings for an
≥ over the affairs of
Withy, the British

group. shareholders of Furness ir seats at their annual meeting tomorrow they ig to be asked to vote e important proposals ward by KCA Interthe implications of have been largely by the sound and fury

centre of the fray are l Bristol, chairman and ecutive of KCA Interan oil servicing and ng group; and Mr. Jarby, chief executive canadian Support of the Canadian Support of Canadian-owned ship-up based in Switzerland

individual association rness goes back some but their respective in the company were ed last month when ught a 3.75 per cent Furness for £2.89m. At time KCA bought e time KCA bought 3.4 per cent stake from idian Shipholdings in a d settlement" arrangehich means that payald be delayed.

istol and his company 2.13 per cent stake in while Mr. Narby and dian retains a 10 per when it was formerly

Berry Wiggins, joined ness, Withy in an oil venture in 1973. A was formed called th Marine Drilling in CA held a 40 per cent I Furness, Withy 20 per h Norwegian interests

hen KCA has reduced ag to 10.5 per cent in th and Furness has its own stake to 49.5

association between

and KCA has been an one. Lack of profitat Kingsnorth has i KCA to attack as manager of the for failing to provide management expertise. of the oll service of the two groups

#### WHAT THE ARGUMENT IS ABOUT

WHAT BRISTOL PROPOSES:

KCA's and FW's oil service interests to be merged into joint venture company

FW to explore the possibility of buying Eurocanadian's sharehold-

KCA 2 world organisation **WHAT FURNESS SAYS:** 

Narby and Bristol are trying to use their holdings in FW jointly to

It is against the interests of shareholders for FW management to be under any kind of compulsion in its negotiation of agreements

larged oil service group would be better placed to compete in world markets which are dominated by overseas interests. Liners' container operations. How any merger of the oil interests might be effected has not been explained but one sug-gestion is that there should be an issue of Furness, Withy shares to KCA with the appoint-Liners and Cast were of a widely differing nature and had differment of Mr. Bristol as manager

of the combined interests. Meanwhile Mr. Bristol wants a seat on the Furness Board because KCA holds the largest disruption and damage." reduce its stake in Furness declared shareholding. He also thinks that Furness, Withy's Withy to not more than 10 per cent over a two-year period. Moreover, Eurocanadian is prediversification policy needs reappraisal, and he would like to vented from exercising voting

contribute to that policy.

The ambitions of Mr. Bristol are backed by Mr. Frank Narby rights on more than 10 per cent of the shares.

of Eurocanadian.

Mr. Narby's association with
Furness dates back to 1974
when his Eurocanadian group bid for Manchester Liners, a group in which Furness was the largest single shareholder. The deal ended in deadlock with Furness, Withy holding 61.5 per cent and Eurocanadian 37.5 per

At about the same time Eurowith having so little say in the running of Manchester Liners. canadian was buying shares in Furness, Withy as part of a general policy of "investment He also has his eye on the large market share that Manchester in British shipping."
Mr. Narby claimed that he had

no wish to control Furness; although his eventual 24.9 per cent equity holding in the group was enough to exert a material

WHAT NARBY WANTS:

New board at FW with new

Close trading relationship with

Manchester Liners, an FW

FW to found jointly with

was against the public interest,

That was in 1976. Although

the deadline has become a little

elastic Mr. Narby had agreed

to reduce his holding to not more than 10 per cent by 1980.

Narby is profoundly unhappy

Like Mr. Bristol and his

Holding limit

that because Manchester

New financial advisers to FW

of purchase and carriage. Furness wants none of this. It is unimpressed with the record of KCA as managed by Mr. Bristol and regards his plans as too sketchy. As for Mr. Narby, Furness is prepared to sit round a table and discuss reasonable proposals about Manchester Liners.

by buying his holding at cost

There are three jokers in the pack. European Ferries, which holds a 5 per cent stake in Furness which it purchased from Eurocanadian, has not made its mind up about which camp to support.

Although European Ferries has expressed interest in Furness, Withy in the past its policy in the latest campaign has been to disclaim any involvement with the KCA-Eurocanadian

If it had acted in concert with Mr. Bristol and Mr. Narby it would have only required the a merger of his Cast subsidiary company's North Atlantic con-tainer business with Manchester purchase of a 3 per cent stake in Furness by the other two In the event the Monopolies Commission ruled that the deal combined interests to trigger a bid under the Takeover Panel's 30 per cent rule. In that situa tion European Ferries would have to play a key part in financ-ing a bid with partners with ing objectives, Manchester Liners "would suffer substantial which it might not wish to sup-

After all in terms of relative Mr. Narby was required to size European Ferries has a stock market value of £150m compared with KCA's market value of £10m. Furness Withy is capitalised at £78m. Eurocanadian, a private company, has a turnover of \$250m (£116m). That compares with Furness Withy's turnover of £179m, KCA's £19.1m., and European Ferries £152m.

Then there is Rea Brothers the merchant bank and financia advisers to Furness which could have an influence of up to 20 per cent of the Furness shares through funds managed.

Like Mr. Bristol and his Finally, there is the Office of investment in Kingsnorth, Mr. Fair Trading which has been ruminating on whether Euro-canadian has broken the spirit if not the letter of the Mono-polies Commission ruling by passing across to Mr. Pau Liners holds in North Atlantic Bristol, in an arrangement for UK-Canada container operations. Hence his oblique refercent of its shares on which ence in his latest letter to share-holders that a close trading polies Commission ruling it relationship should be sought would not have been entitled

that through a followence on Furness Withy's between Eurocanadian and to have any voting rights.

the oll service policy.

Manchester Liners.

Whatever happens at tomorgular to the time Mr. Narby said. In addition he wants Furness row's annual general meeting could be made that he was seeking to gain to unlock him from his the affair is not likely to end Moreover, an en-Board representation to effect Manchester Liners' investment with the vote.

Another productiveyear in 1978

# **Financial** Highlights 1978

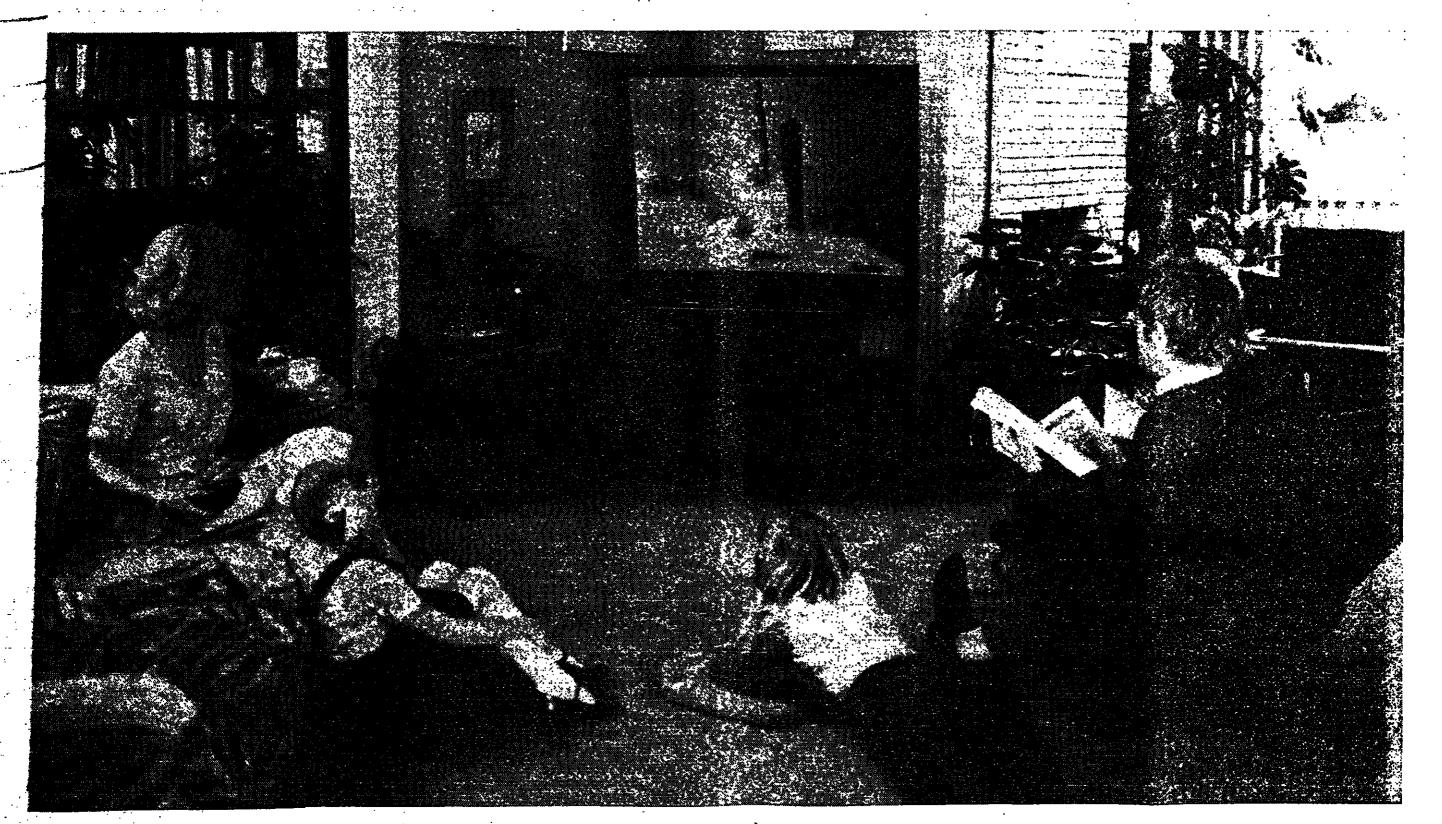
	1977	1978 billion DM
Total Assets	18.74	21.62
Due from Banks	5.88	6.15
Due from Customers	8.38	8.84
Securities	3.80	5.86
Due to Banks	7.51	10.28
Due to Customers	1.48	2.14
Issued Debentures	8.86	8.22
Capital and Reserves	0.37	0.43
(Preliminary figures)		

For full information, contact us at Lautenschlagerstrasse 2 D-7000 Stuttgart, Tel: (0711) 2049-1

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Not to mention complete remote control-

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As demonstrated by this actual photograph of

Yes. After all, the Mitsubishi VS500 large screen including colour and contrast. On screen identification the Mitsubishi VS500 large screen in action.

It features a fifty inch screen that transforms including colour and contrast. On screen identification the Mitsubishi VS500 large screen in action.

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**NORTH AMERICAN NEWS** 

# Senate criticism of \$1bn Exxon bid United Technologies

yesterday that unless Exxon Corporation can justify its Corporation can justify its extraordinary diversification \$1.2bn takeover bid for Reliance plan proposed by any of the oil Holdings in terms of potential energy savings, the deal "must not be allowed to go through."

The Senator's warning, the most outspoken formal statement on the controversial Exxon bid by a senior politician, underscores the latent opposition to the Exxon move which exists in Washington.

**Supreme Court** 

reverses Texas

take perhaps the most costly and into unrelated businesses.

Exxon announced its bid for major oil companies should not sell the American people on one on July 11.

MR. HOWARD METZENBAUM. Reliance, which makes electric be permitted to increase their of the largest cash acquisitions claimed that it needed to under- in major diversification moves proceed."

> technical breakthrough in elec- which would bar oil companies building up, Reliance's shares tric motor design which could from making large acquisitions have been selling well below the save the U.S. Im barrels of oil a outside the oil industry. He prospective cash tender price of day by the early 1990s.
>
> Exxon's claims for the liance to bring about major senator Metzenbaum's communication of the deal have altered the acquisition may be in Section 1990s.
>
> The prospective cash tender price of said: "If Exxon truly needs Research in the wake of senator metzenbaum's communication of the deal have altered the acquisition may be in Section 1990s.
>
> The prospective cash tender price of said: "If Exxon truly needs Research in the wake of senator metzenbaum's communication may be in Section 1990s. scrutiny from some of its rivals, the public interest. But if it is

chairman of the Senate AntiTrust Sub-committee, warned

Trust Sub-commit With the Federal Trade Com-

Senator Metzenbaum's com- mission poised for an investigaplan proposed by any of the oil ments yesterday came in the tion of the deal, and anxiety major in order to exploit a course of hearings on a Bill about political opposition to it

Exxon commenced its formal and also from oil industry true that Exxon is taking ad- tender offer for Reliance late critics, who contend that the vantage of the energy crisis to last week. The offer will expire

# Truck and van sales fall back

BY JOHN WYLES IN NEW YORK

takeover ruling By Our New York Correspondent THE U.S. Supreme Court has overturned a ruling by a Federal Court in Texas which declared that the Idoho state takeover law was unconstitu-However, the Supreme Court's

decision was based not on an whether the state takeover law was or was may constitutional. Federal Court in Texas did not have the jurisdiction to decide upon the constitutionality issue.

The case arose after Idaho invoked its takeover law to delay a 1977 tender offer by Great Western United for 2m Sunshing Mining shares,

The question of the constitutionality of the takeover laws of several states has played an unportant role in the merger wave which has hit the U.S. in the past three years,

State courts have been reluctant to uphold the constitutionality of state takeover laws where they conflict with federal laws, but so far the Supreme Court has not ruled on the constitutionality issue as such.

#### Charter sees bid success

JACKSONVILLE -- Charter Company has restated its convictuen that its bid to obtain control of a 65 per cent interest in a venture in Japan with Sony. Behaviour refinery will succeed. Commenting on Sony opera-Behannan refinery will succeed. reg ted that efforts by Hidera Totaling Company, a Vene-Atam petroleum company, to outpid Charter for an interest demand would increase to as in the refinery had raised doubts. about Charter's plan.

drastically cutting back on their somewhat better, because they leaving them 5.6 per cent production of trucks and vans are more capital than consumer behind the 1978 five-month because of a steep fall in sales purchases, and will be slower to total. which, like the softening in the respond both to rising energy car market, appears to owe much costs and the general weakening shortage and the desire for to the current petrol shortage, of the economy which is now maximum fuel economy are After three consecutive evident. As a result, medium working to the advantage of months of declining sales of duty truck sales were 1.7 per imported makes, as in the passans and conventional pick-up cent higher than last year by senger car market where imtrucks, total inventories of all the end of May and heavy duly classes of trucks have topped trucks were 20 per cent up.

Im units for the first time ever. As a result, the manufacturing duction for the July to September period which will be

As a result, medium

The slump in vans and pickups is the real worry for the As a result, the manufacturing ups is the feat Motors, cent of the U.S. market.

duetten for the July to Ford and Chrysler, and the fact Biggest loser in the van segthat the problem is now hitting 21 per cent lower than a year the four-wheel drive utility Corporation, whose sales had ago.

vehicle market is a serious dropped 40.4 per cent by the Van sales from March to threat to the very much smaller May slipped 26.7 per cent American Motors, whose profit below last year's totals, while recovery of the last 18 months

U.S. MANUFACTURERS are heavy duty trucks have fared sales fell 18.2 per cent in May.

Moreover, fears of a petrol porters have been taking a 24 per cent share in the past couple of months. In May, imported trucks captured 16 per

ment is the troubled Chrysler end of May, Sales of diesel trucks, more

expensive but also more fuel conventional pick-ups were 22 is due entirely to the success efficient, were running 26 per per cent lower. Medium and of its Jeep range. But Jeep cent ahead of last year.

#### Start next year for Sony **Prudential Insurance**

NEW YORK-The Japanese Ministry of Finance approved the establishment of Sony Prudential Life Insurance, said Mr. Akio Morita, the chairman of

He said the Sony Prudential Company will start business next year and predicted that it would become an "important part" of Sony operations. Prudential Insurance of American announced previously

that it planned a joint insurance Jones had tions, Mr. Morita said the high level of U.S. demand for colour television sets was continuing. He also predicted that Japanese

year from some 5.6m in 1978. Reuter.

Petroleos de Portugal, E.P.

PETROGAL

US\$ 60,000,000

**Medium Term Loan** 

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Westdeutsche Landesbank Girozentrale

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Midland and International Banks Limited

Norddeutsche Landesbank International S.A.

Toronto Dominion Bank Investments (U.K.), Limited

The National Bank of Kuwait S.A.K.

Standard Chartered Bank Limited

The Sumitomo Bank of California

Union Bank, Los Angeles

WestLE International S.A.

Banco Tolia & Acores, London Branch

Bank Brussels Lambert (U.K.) Limited

Banque Continentale du Luxembourg S.A.

Baverische Landesbank International S.A.

Copenhagen Handelsbank International S.A.

International Trade and Investment Bank S.A.

(I.T.I.B.)

Creat Lyannais, Luvembourg Branch

Deutsche Girozentrale International S.A.

Internationale Genossenschaftsbank AG

Banque de l'Union Européenne (Luxembourg) S.A.

Early of Boston S.A.

Berliner Bank International

Societa Anonyme

Clydesdale Bank Limited

U.S. investors had reduced their holdings of Sony stock to about 6 per cent, as at April 30, from a high of 43 per cent in 1973. However, such net sales had almost stopped since May. European investors presently

hold about 8 per cent of the stock, with the balance held by Japanese investors, The company may show a net benefit from foreign exchange currency translations in the fiscal third quarter, because of

the recent appreciation of the yen against the dollar. For the first six months of the current fiscal year, the company had a foreign exchange loss of about \$60m because of a sharp much as 6m colour TV sets this drop in the yen.

#### Chubb in Irish insurance venture

NEW YORK-Chubb Corporation said its Belgian subsidiary, European Federation Insurance, has been licensed to write nonlife business in the Republic of

The Irish branch is the first such operation to be established within the European Economic Community by European Federation, and marks the first step of the planned expansion of the company in the EEC.

The branch, with neadquarters in Dublin, will be managed by Chubb Irish Underwriters. The licensing continues the

expansion of facilities in Europe to serve the needs of the Chubb Corporation's worldwide insurance clientele.

# defends Carrier bid

HARTFORD - United Technologies Corporation said a Securities and Exchange Com mission complaint against its acquisition of a majority of Carrier Corporation " is totally unwarranted."

The company made the state in response to the filing of a complaint. alleging that United failed to amend its filings properly in connection with the acquisition of a controlling stake in Carrier.

United said it believes it acted "lowfully and in good taith" in acquiring the stake. United added that the possibility of the SEC complaint being issued had been disclosed by the company in its recent proxy statement calling for a special shareholders' meeting on July 5 to approve the Carrier

acquisition.
The SEC alleged that when United failed to receive the controlling stake it wanted of 17m Carrier shares, it then went on to acquire a majority stake through a delayed tender working to the advantage of and by buying on the open market, and did not amend its filings with the SEC to reflect

#### London listing for Security **Pacific** By Our Financial Staff

SECURITY Pacific Corporation, the holding company of the 10th largest bank in the U.S., is today listing its shares on the London Stock Exchange. This is part of a continuing drive by its management to make the British investing public better acquainted with this lesser

known Los Angeles-based bank. Security Pacific is currently one of the top performers among the big U.S. banks, on the strength of the growth of the banking business in California and of a radical shake-up in the bank's style which was carried out 10 years ago but which only began to produce improved profits in the middle

of this decade. Since 1974 the holding company's, earnings per share have grown at a compound rate of 24 per cent and its return on equity in 1978 of 16.2 per cent was, among the top 10 U.S. banks, second only to its California rival Bank of America. As for 1979. Mr. Paul Smith, the finance director of the bank, said yesterday that he was "not uncomfortable" with predictions of a 15 per cent increase in earnings per share to around \$5.96.

#### First Lincoln falks off

MONTEREY PARK - First Lincoln Financial Corporation announced talks with Weyer-haeuser about the possible acquisition of its Lincoln Savings and Loan Association subsidiary have been suspended.

The company said it received a letter indicating that Weyerhaeuser would not consider specific acquisition candidates in the savings and loan field until deciding whether to enter that field. Weyerhaeuser did, however, hold out hopes of resuming talks if it decides to pursue a savings and loan acquisition. First Lincoln said. Mr. Donald W. Crocker, president of First Lincoln, said Weyerhaeuser made the initial AP-DJ

#### IBM anti-trust appeal fails

NEW YORK — INTERNA-TIONAL Business Machines Corporation has been ordered to make available more documents in a key anti-trust case, despite the company's contention that it would take 62,000 man-years to

In the Federal District Court here, IBM lost its bid to quash a subpoena issued last February by the U.S. Justice Department in its massive anti-trust case. The documents relate to expected testimony by Mr. Frank T. Cary. IBM's chairman. IBM had called the Government's demand unreasonable and oppressive" too far reaching, and certain to "severely delay" the trial at present " the trial at present pro-

But the judge, called the demand "neither unreasonable nor oppressive."

AP-DJ

Staton 67 89 Staton 67 89 Staton Pw- 61 85 Venezuela 67 90 World Bank 62 88 .....

Asian Dev. Bank 54 88
Australia 5 6 82
Australia 6- 58
Finland 5.6 83

SWISS FRANC

#### Scott & Fetzer sees record

LAKEWOOD—Scott and Fetzer, the books and vacuum cleaners concern, will report a second quarter profit rise of 10 per cent to 12 per cent despite the impact of the petrol shortage, high start-up costs at new facilities, and the adverse effects of a vacuum cleaner model change, Mr. J. F. Bradley, executive vice president-Finance, announced. An economic slowdown appears to be underway, but Scott and Fetzer is well prepared

for a possible recession. Despite the worsening overall economy," we continue to expect that we will have record sales and earnings" for the current fiscal year, he said.

EUROBONDS

# Sharp discounts fail to stir quiet dollar sector

was announced yesterday. The life of 11.97 years, are redeem-institutional investors when able after July 15, 1984. They they purchase new paper. are expected to be priced at 991. Lead manager is Morgan Stanley.

Prices of dollar-denominated bonds ruse by an average of 🖠 per cent in mostly professional dealing, but there was little investor interest. The rise was helped by a firmer dollar and the good performance of the New York bond market.

However, most of the issues which have started trading in the past week are standing at steep discounts. The Gulf and Western bond of 1984 was quoted yesterday at 96;-97‡, the GTE of 1989 at 97.97‡, the Kennecott of 1986 at 96-96‡ and the GMAC of 1987 at 98-98‡. The

indicated coupon of 10 per cent currently standing at an average discount of 2,14 per cent, well bonds, which have an average discount of 11 points given to

> What also makes dealers six month Libor stood at 101 per cent; last Monday it had risen to 10) per cent, and yesterday it touched 1011 per cent. were mixed but most recen

> Corporation. Another Canadian for Interamerican Develor borrower. Canadian National ment Bank moved up by 0.3 Railways, is arranging a 25-basis points to 100.60. In the year \$150m issue in the New domestic sector, buyers were York market through Salomon again i evidence and the

\$50m 15-year bond issue for last six dollar-denominated Finance for Industry was Dome Petroleum with an issues to start trading are priced at 99% to yield 12.64 per cent by the lead manager, S. G. Warburg. The indicated coupor over the average selling group of 12; per cent was unchanged

Prices have improved slightly in the sterling sector of the bond market since the begin gloomy is the slow but inexor- ning of the week, belped by the able rise in six-month dollar strong performance of the Ur interest rates. On June 14, the currency, but turnover re mains at a low level.

In the Deutsche-Mark sec tor, prices of seasoned bond Final terms for the \$200m 30 issues posted further gains. The year Yankee issue for Hydro recent DM200m for Sweden wa Onebec include a coupon of 10! quoted at 101 in the middle. per cent with pricing at the gain of point on the day Lead manager is First Boston while the DM100m public issu-Brothers.

The £30m 10-year issue for DM 116m worth of bonds. Bundesbank was able to sel

MEDIUM TERM FINANCING

### Iran seeks to re-activate loan

BY JOHN EVANS

AN IRANIAN Government such borrowings may help to the borrower. The bankin agency, the Telecommunications give the Government some syndicate which extended th Company of Iran (TCI), is seek- valuable breathing space in funds is currently considering national capital markets.

If the banks concerned agree to allow fresh drawings, this convinced that foreign borrowwill mark the first Iranian ings will be necessary. The governmental borrowing from resumption of oil exports from been drawn by the borrower, the Euromarkets since the overthrow of the Shah, bankers levels, is probably generating believe.

the loan are arousing wide ments, according to these attention in the Euromarkets, as bankers. the TCI request may indicate an

Tehran officials have tended period

ing to re-activate a \$250m loan meeting its existing foreign suggestion to extend the cor it had previously arranged with debt commitments, which it has mitment period, and so allo Western banks on the inter- calculated at some \$5hn for both further drawings. private and official obligations.

sufficient each flow to enable the The current negotiations on Government to meet commit-

The negotiations for the TCI

emerging interest by the Iranian loan are meanwhile being held Government in resuming over- up by a technical problem, seats borrowing.

The original commitment original commitment on the loan expired

Chase Manhattan of Ne Not all bankers, however, are York is agent bank for the loa which was arranged in Decer ber 1977 and has only part

In another development over Iranian loans, the Tehran ban ing authorities are reported to be unwilling to pay at default" interest on certai Euromarket credits when normal servicing has bet delayed in recent months.

The loans involved are to th Government of Iran, the National Petrochemical Cor to cast doubts in the past on earlier this month, meaning National Petrochemical Cor the possibility that Iran will that the facility was no longer pany and the National Gallout new loans overseas. But eligible for further drawings by Company.

#### FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary marl exists. For further details of these or other-bonds see the complete list of Eurobond prices publish-

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\* No information evallable—previous dey's price.

1 Only one market maker supplied a price.
1 Only one market maker supplied a price.
Straight Sender. The yield is the yield to redespration of mid-price, the amount issued is in millions of curre units except for. Yen bonds where it is in billic Change on week = Change over price a week earlier.
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صكدامند لإصل

#### ofit and rnover owth dip V & D

arles Batchelor in

AND turnover at n Dreesmann (V & D), expanding Dutch retail owed in 1978-79. Operatits in the current year ected to at least equal r's but in the longer rofit margins are exo narrow, the privately oncern said in its annual

rofit rose 17 per cent to (\$42.5m) in the 12 ended January 31 on the f replacement value ng following a 42 per the year before. On of historical costs net is 19 per cent higher at after the 35 per cent

ing profits, excluding inary items and before tion, rose 19 per cent 17m compared with the ent rise last year. Gross use 12 per cent to n (\$2.2ba) against the ent rise the year before an improvement in the i to 1.94 from 1.85 per

lowdown in the growth sable incomes and the authorities' efforts to a growth of consumer will adversely affect ; result in future. The ade is taking a smaller n the growth of the udget as more is spent res such as rent, health d travel. Competition the Dutch stores will

d sales and profits of U.S. groups in which as a stake-Outlet Comid Dillard Department increased while V & D nearly 10, per cent of es of H. J. Wilson Comcatalogue showroom Baton Rouge:

uth America, V & D a majority stake in ralar group of Sao razil, with 47 stores in and Rio de Janeiro. D continued to expand estic network of stores 79 although growth was d by the traffic probmany cities. It has plans to reconstruct its

am city centre store e city council decided multi-storey car parks. irst home improvement operated with the GB-Inno-BM group.

igalow park and recrea-itre which V & D 's ng jointly with the Groningsche Hypotheekll open next year. Is Peck yachting intersubsidiary will not take in Arab Gulf Yachting uit in view of the prob-of delivering large to the Gulf and mainthem there, Recent ions included 37 photostores from the UK Dixons and the Siebel

#### nch form ir power it venture

rry Dodsworth in Paris

Trance's private sector ics in the solar energy re merging in a deal by four of the country's enterprises, the Atomic Commission (CEA), the group, Alsthom-que, and the CGE elec-

merger of Sofretes, one longest-established solar research specialists, and a pumping equipment cturer, will be accomby the injection of (\$1.4m) of new capital agreement follows a government decision to prew finance for the solar energy powerfollowing cost over-runs. in Sofretes-Mengin, the ique, and 5 per cent to sees the company breaking even (part of CGE).

Germany's largest magazine publishing houses, has made a bid for Winn's Stores Incorporated, which owns 150 department pany. But, with 15 titles including the printing company (in Wassea, Winnesota). This printing comfor Winn's Stores incorporated, which owns 150 department tores in Texas. The offer is ing the popular Quick weekly ing the region magazine, it is a serious rival to the main German magazine published and, according to Bauer of \$77m and the main German magazine published gruper of \$1,600 workers. The offering price is understood to

the inam German magazine publishing houses, including Gruner offering price is understood to the terms of the proposed deal.

The bid will have to be approved at Bauer's general shareholders' meeting in August but both companies have already discussed details of the final control of the past year.

The bid will have to be approved at Bauer's general Jahr have been looking for a BROWN BOVERI und Cie AG will acquire the remaining shareholders' meeting in August but both companies have already that the German magazine publishing publishing forms offering price is understood to be under \$50m.

Both Bauer and Gruner and \$\frac{\pi}{\pi}\$ \text{RROWN BOVERI und Cie AG will acquire the remaining shareholders' meeting price is understood to and Jahr and the Burda group.

Both Bauer and Gruner and \$\frac{\pi}{\pi}\$ \text{RROWN BOVERI und Cie AG will acquire the remaining shareholders' meeting in August but both companies have already the final control of the past year.

Brown BOVERI und Cie AG will acquire the remaining shareholders' meeting in August but both companies have already the final control of the past year. discussed details of the final con-tract. Winn's had a turnover in almost achieved saturation

THE HAMBURG-BASED Hein- serious attempt at overseas intended to become a publishing BBC management board chairrich Bauer Verlag, one of West diversification by the Bauer force in the U.S. This, however, offering price is understood to be under \$50m.

Reaktor GmbH (BBR) from the tract. Winn's had a turnover in almost achieved saturation Babcock and Wilcox company 1978 of about \$73m. The takeover bid represents the first say whether the company Herr Hans Goehringer, German

man. He fold the annual meet-ing that German BBC will hold 49 per cent of the BBR capital totalling DM 5m. At present the BBC group as a whole has 60 per cent of BBR shares, including 29 per cent held by German BBC.

At the same time, BBC AG

has established a joint venture with the Construction and Development Corporation of the Philippines (CDCP) to manufacture electric motors and low voltage switchgear. The new company, named BBC Normelec Corporation, will initially be capitalised at 5m pesos. .

in the red

DEUTZ

second

facturer, ended last year in the

red. It blamed its performance

on hard price competition resulting from the substantial over-capacity in the market.

of the German-Italian Iveco Industrial Vehicles' Corpora-tion, reported a loss of DM 48.7m (\$26.5m) after 1977's net profit of DM 11.5m. The

shift in the medium and heavy

commercial programme in the

new Iveco production plan had

not been entirely smooth, the

Sales increased from the pre-vious year's DM 1.86bn to DM 1.93bn (\$1.05bn), but this

had not been reflected in

For 1979, Magirus-Deutz had

set itself the target of increasing sales by DM 350m to DM 2.2bn. The first half per-

formance had seen a rise in

sales from the similar period

During the opening six months the trend had been the

high-earning heavy vehicle sector. The 1979 production plan foresaw an increase in

output from 1978's 18,686 units

to 22,000 units of which some 18,000 units, against last year's

16,720, would be lorries. Pro-

duction of leavy lorries would

be about 11,000 units, the group

The restructuring phase that

the group has undergone as a result of its membership of

Iveco, set up five years ago, will

be completed this year, the management said. After the "investment boom" of 1977

and 1978 when the group spent DM 128m and DM 122m respectively, investment would

This year, Magirus-Deutz

plans to invest between DM 60m

and DM 80m, a large part of

which would be spent extend-

ing the bus plant in Mainz. Sales in the Federal Republic

this year are expected to increase from 1978's DM 760m

to DM 900m, while export sales

are planned to rise from DM 1.17bn to DM 1.3bn.

KLM discloses

loss on DC-10

DUTCH national airline KLM

lest between Fl 4bm and Fl 6m (\$2m-\$3m) in operating profit

becaus of the recent two-week grounding of its DC-10 aircraft

kLM revealed yesterday. The losses represent just under 7 per cent of the operating profit achieved for 1978-79.

The loss was mainly due to the rescheduling of flights after

the U.S. aviation authorities grounded the planes following last month's Chicago air disaster. KLM, which has seven

DC-10s accounting for 20 per cent of its total capacity, resumed flights last week but is still experiencing "problems" since a number of countries still ban DC-10 landings.

For the year ended March 31, KLM's operating profits fell sharply from Fl 165.3m to

grounding

By Our Financial Staff

be considerably reduced.

to DM 822m to DM 1.03bn.

management explained.

profits.

The vehicle maker, now part

largest

MAGIRUS

Germany's

#### Magirus-Bavarian bank sees progress **Deutz**

BY OUR BONN STAFF

desbank Girozentrale expects 1879 to produce satisfactory of 2.8 per cent between capital exposed to excessive risk. The results. It adds a warning, howard reserves and total liabilities. bank's main foreign business is ever, that business will need to grow at a slower rate than over the same to th

the bank's sales of bond market paper rose dramatically by almost DM 3bn to DM 3.2bn (\$1.74bn). Total credit volume was also up by about 3 per cent, although the bank declined to give any exact figures.

DM 146.25m, with tax taking International business seemed its activities in the indu DM 140.5m. The bank paid to be thriving and the bank plant construction sector.

thus maintaining a ratio The capital base is also to be increased by DM 50m to DM 650m by 1980.

Over the first four months the bank's president, stressed However, Dr. Ludwig Huber, that to maintain the current in 1979 and credit volume would employs 3,400 workers. have to grow by a net DM 6.8bn.

GERMANY'S SECOND largest DM 110m into the reserves last said that despite many political Landesbank, Bayerische Landesbank Girozentrale expects 1977, thus maintaining a ratio reference to Iran, it was not

 Salzgitter AG has acquired West German industrial plant construction company, Dr. C. Otto and Comp. GmbH. Capital high rate of growth (14 per of the plant-maker is DM 15m, cent last year), turnover would and annual turnover is more have to be increased by DM 9m than DM 280m (\$108m). It

No financial details of the o give any exact figures. This, he implied; was un-transaction were given, but Net profits in 1978 rose to realistic and that clear limits Salzgitter said it hoped the DM 164m (\$89.13m) from to growth should be recognised. acquisition would strengthen International business seemed its activities in the industrial

### Price inflation boosts Sabanci

BY METIN MUNIR IN ANKARA

groups in Turkey. The outturn activities. Total net assets grew —pre-tax carnings up 91 per by 12 per cent to \$3.2bn in 1978. cate of Western banks. cent at the equivalent of Sabanci points to "major". The way that the money will \$178m—was achieved despite rises in wage and raw material be used is of vital importance

20 or so manufacturing plants past two years owing to the dropping sharply at times as foreign currency famine, the raw material shortages hit company declared. Although home. However, demand was most private groups have re-

Sales last year declined by group's cash flow. Turkish in-

high, and accelerating price corded increases in turnover inflation also helped lift profits. and profit, growth in real terms Sabanci's main interests are has been declining. in banking, insurance, textiles, The Turkish economy should with an American group. Its natural, artificial and synthetic start "breathing a little" if the exports last year amounted to fibre and yarns. The Instanbul. Covernment could put credits \$31.5m or 57 per cent more than based group also deals in plastic, pledged by the West last month in 1977.

SHARP increases in profits are products, cord fabric and tyres, to good use. Turkey is expect-reported by Sabanci, one of the data processing and process con-largest industrial and financial trol systems and agricultural year, \$906m from OECD countries and \$406m from a syndi-

costs which are "taxing" the to Turkey and her companies. Industry leaders are holding more than a fifth with capacity dustry has been operating at meetings with the Minister of utilisation among the group's around half capacity for the Finance to discuss the ways in pended. According to Sabanci, priority should be given to boost capacity usage in the cri-

Sabanci is in the process of forming an export company

# Accountancy dispute settled

BY ARNOLD KRANSDORFF

THE LONG-RUNNING dispute The less industrialised countries the Centre on Transpational between nations and third-world member body—as proposed by would mean that the new body countries over the composition the UN's Commission for Trans- could at last get down to work. of a United Nations inter- national Corporations at their governmental body to establish 1978 meeting in Vienna—but the immediate developments but international reporting and developed nations, led by the interim guidelines "could be international reporting and developed nations, led by the interim guidelines "could be accounting standards for multi-OECD, said the proposed work-ready within one or two years national companies has been

The UN's Economic and Social will be composed of 34 members. Failure to reach a compromise has held up the UN's work on

Wagons-Lits

first quarter

on target

54 members of the Commission. in ten years." ... The new 34-member body will

Council has reached agreement consist of nine African direct authority over multi-that the new working group countries, seven in Asia, six nationals, it could recommend which will consider adopting from Latin America, three from that member countries imple-wide-ranging financial and Eastern Europe and nine others, ment its proposals through "social" disclosure guidelines, The various countries will be national legislation. It is more the subject for more than a year. information analysis division of voluntary.

the industrialised have been insisting on a 15- Corporations, said the decision and third-world member body—as proposed by would make the decision He said he did not expect any ing group should be open to all with a comprehensive package

Although the UN has no The various countries will be national legislation. It is more chosen at the next session of likely, however, that any recom-ECOSOC in Geneva next month. mendations, like the existing Mr. N. T. Wang, head of the OFCD guidelines, will be

### Danish utilities to help computer manufacturer

BY HILARY BARNES IN COPENHAGEN

BRUSSELS — Cie Inter-nationale des Wagons-Lits et du Tourisme reports group first quarter results higher than in the opening three months of 1978. They are in line with reconstruction of Danish com- the name RC Computer, puter and software manufac. The Post and Tel ojectives. Turnover, excluding value added tax, rose 4.1 per cent to BFr 1.61bn (\$54.5m) for the

railway sector and 17.6 per cent to BFr 240m in hotels. In restaurants the sales rise was 13.3 per cent to BFr 1.08bn.

CDF-Chimie expects markedly impany, will be split in oportion of 55 per cent.

A, 20 per cent to Total, er cent to Alsthom-

puter and software manufac-turer Regnecentral by permit-ting Government-owned utilities owned telephone companies, the

He fore— Its service division has now that at least a third of the commarkets, notably the dollar, and been reorganised as a separate pany's share capital is privately keen fare competition for the subscribed.

THE GOVERNMENT has made manufacturing activities are a crucial contribution to the now expected to continue under

to subscribe up to DKr 40m local government-owned Data-(\$7.5m) in share capital to a central, and the industrial development fund were the over Regnecentral's production organisations permitted by the operations. Regnecentral was Denmark's capital on condition that the only nationally owned computer manufacturer. It suspended payments to creditors in April.

Government made it a condition weakness of certain currency that the strength of the separate companies. The company blamed the weakness of certain currency that the strength of the separate companies.

the former chairman of the will come from borrowing a the Caravelle losses are now Paris regional transport net- hefty FFr 5.5bn, accounting for underwritten by a direct state work, who took over the com- some 46 per cent of the investgrant. The same goes for 70 pany in the bleak period after ment requirement. In addition, per cent of the deficit on the oil price rises of the mid-the state will be asked to dip Concorde operations. A key 1970s, says that demand for Air further into taxpayers' pockets issue in the long-range plan, France seats has continued to and come up with another however, will be to persuade grow faster than the company FFr 700m, while sales and

profit - oriented Government requires from the nationalised sector.

A hopeful sign for the company is that passenger demand is continuing to increase. In the first five months of this year the airline has carried 4.1m passengers, an increase of 355,000, or 8.5 per cent, on the

This is seen as a good omen for the group's aims of pushing into the field of cheaper mass air transport, symbolised by its new special offer holiday flights. Not so encouraging will be the heavy burden of financing. This has virtually doubled from the FFr 6.2bn of the 1974-78 period, and it will push debts from a ratio of 2.71 of equity capital, to 3.06 at the end of 1983. Still, with the Government as shareholders, there should be no

# Bauer to acquire U.S. stores group Diversification pays off for James Hardie Asbestos

BY JOHN ROGERS IN SYDNEY

A PERIOD of diversification is Reed contributed a five-month profits paying off handsomely for profit, from October 31, of However, directors said that James Hardie Asbestos, the ASL2m. The board's timing severe competition in plastics Australian building supply was good, as Reed carned only group. Net profits in the March AS1.72 in the six months to year jumped 31 per cent from June 30 last year, after encoun-AS16.43m to AS21.5m tering difficulties in its New (U.S.\$24.1m), in a 65 per cent Zealand wallpaper operation AS16.43m to \$21.5m (U.S.\$24.1m and in its Californian irrigation boost in sales to A\$339.5m business. However in the finan-

Breaking with a traditionally the group earned A\$7.08m.

Conservative dividend policy, The recently-acquired publishing house of Risby made no from 6.25 cents to 11.25c a share, which together with an unchanged interim of 6.25c brings the total payout up from 12.5c to 17.5c a share. last financ Directors say that this divi-dend rate will be maintained in In Hards

business. However in the financial year to December 31, 1977,

contribution to the latest result, but Mr. J. B. Reid, chairman of Hardie, said that it should be making profits quite soon. In its last financial year Risby lost

the future. It is covered by ties, oversons operations depreciation rising from current earnings of 60.2c a softened the effect of difficult AS7.87m to AS11.35m. This was share, against 53c last time. trading conditions in Australia, countered by a lower tax The takeover of the paper and rotal operations were 17 per packaging group, Reed Consolidated, helped James Hardie's rotal operations were 17 per cent higher, howeved by increased control of the group. performance during the period. Zealand. Overall the group trading stock valuation adjustalthough the board also reports experienced a 3 per cent fall in ment and A\$3.10m against growth in a number of the building products and an 11 per A\$817,000 in the form of group's traditional divisions, cent fall in pipe sales, although investment allowances.

and car brakes cut profit margins. Sharply higher demand for asbestos in the second half Wales building industry—was a major factor in the group's 40 per cent carnings boost to A\$13.4 in the final six months. Asbestos sales accounted for overseas operations for 20 per cent, brakes for 3 per cent and plastics for 9 per cent.

. However, the group's expansion is reflected in its 18761,000, interest bill climbing from In Hardie's traditional activi- A\$6m to A\$12.13m and in provision, down from A\$11.55m to A\$9.73m, with tax relief on

# Sime Darby views purchase of China Engineers minority

SIME DARBY is discussing with (US\$ 23.4m) to buy out the which used to control it. shares were suspended at the company's request yesterday morning but trading was re-sumed after the official announcement of the talks. The price jumped from a Monday close of HK\$2.35 to HK\$3.15. China Engineers is engaged

minority 26.5 per cent interest of HK\$ 1.77 a share. Last year, in the off-shoot. China Engineers earnings per share were 32.7 boom in Hong Kong which has generated an unprecedented REALTY Development Corporademand for cars.

Sime Darby has given no in-

its Hong Kong quoted sub-minority. The market price Minority shareholders are being sidiary. China Engineers, the compares with a book net asset advised by the merchant bank, making of an offer for the value at the last balance date Schroders and Chartered. Rumours had been around the

earnings per share were 32.7 market for a year or more that cents and are expected to be Sime might buy the China slightly higher this year, though Engineers' minority. But the profits next year could be badly timing took the market by sur-hit by the end of the consumer prise.

tion, a property subsidiary of the Wheelock Marden group. in electrical engineering, motor dication that it intends to make distribution and has a quoted a bid for the outstanding profits of HK\$33.06m for the processed food subsidiary, minority in Amoy Canning. processed food subsidiary, minority in Amoy Canning. year to end-March, an increase Amoy Canning. China Engineers' minority is of 16 per cent. The final At a price of HK\$ 3.15, it believed to be quite tightly held, dividend is 9 cents, making a would cost Sime HK\$ 119m particularly by the Kwok family, total of 16 cents, against 14.

#### Gollin creditors projected distribution increased

BY OUR SYDNEY CORRESPONDENT

59 cents over the period of its duction experienced a five-year scheme of arrange-appointing year. ment. This follows another successful earnings year and an A\$6m (US\$6.7m) reduction in Mr. John Rodger of the accountants Price Waterhouse and Co., indicated that further increases to 13 cents. Overall they will were not out of the question as some major asset sales were yet ment, at 32 cents, over the life characters are called after having gained at a second control of the control of the control of the question as some major asset sales were yet ment, at 32 cents, over the life called the control of the c to take place.

Gollin earned A\$2.99m (U.S.\$3.35m) in the year to ordinary items during the past February 28, slightly higher year.

GOLLIN AND CO., the failed than the project A\$2.9m. Mr. Australian trading company, has Rodger said that the coffee and increased its projected return tea plantation division had perto creditors from 52 cents to formed well although coal pro-

Creditors of Gollin will now receive 4 cents on the same of the scheme-once again because of a boost in extra-

#### **Earnings** growth slows at Yamaha

YAMAHA MOTOR Company,

the Japanese motorcycle manufacturer, raised its after-tax profit by 5.8 per cent in the year to April 30, to Y4.17bn (\$19.5m). This follows an increase of receive a distribution of 2 cents | 15.5 per cent the previous year, in the dollar on September 30. | The company has in recent the postponed creditors' account bringing payment so far to 9 years faced particular problems and doubtful debts after litigacents. Creditors of the non-tion. The scheme administrator, operative Gollin Holdings will the yen in the foreign exchanges, arising from a rela-

Sales in 1978-79 fell by 5.6 per cent to Y274.03bn (\$1.28bn). after having gained at a rate of around 32 per cent in the two previous years.

The dividend is again unchanged, at Y10 a share.

#### Private sector plan for Israel telephones

THE ISRAELI Ministry of Com- internal communications, and munications has proposed its ordinary postal activities.

own dissolution, and the establishment of public companies to handle, respectively, external communications, sion of the country's communication ordinary postal activities.

The Ministry has for a long backlog of applicants for time tried to interest interpolate the problem is the very large backlog of applicants for the expansion of the country's communication of the country of

# Lower tax lifts Fraser and Neave

largest soft drinks bottling and for the year ended March 1979, per cent for the year.

The group enjoyed a 15 per cent decline in tax charge from S\$15.5m in 1978 to S\$13.2m. Group turnover rose by 16 per cent to S\$182.9m (US\$ 84.44m). However, trading profit was up only by 9 per

Fraser and Neave said that its losses on soft drinks opera-tions in Singapore continued until prices were increased in

FRASER AND NEAVE, the March this year. brewery group in Singapore and declared a final gross dividend Malaysia, reports a 21.5 per cent of 18 per cent which together Malaysia, reports a 21.5 per cent of 18 per cent which together improvement in group post-tax with the interim dividend of profit to \$\$27.3m (US\$12.60m) 8 per cent makes a total of 26

cations network. The biggest problem is the very large backlog of applicants for vears—because of a shortage of funds. There is also growing demand for additional telex facilities.

A Canadian company. Intel, has now indicated that it is interested in participating in the establishment of the new bodies, particularly that for external communications. Accordingly, the Ministry intends to table shortly proposals for legislation permitting the transfer of the services to the new companies.

June 27, 1979

\$40,000,000

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# ir France juggles the options to create the world's cheapest fleet

TERRY DODSWORTH IN PARIS

"CONTRACT" underity. Nevertheless, the commanaged to make a much or so passengers. presentable profit last in its sub-sonic operations ie FFr 255m (\$59.72m) st FFr 34m in 1977—and is asting about FFr 160m for ear, despite the onset of

r fuel prices. France has also set about ig the problem thrown up its pilots' dispute over ing levels in the fleet of planned as a replacement he loss-making Caravelles. answer, given in its longaltogether.

The idea now is to cong certain losses which Air centrate investment on three e signed with the state, aircraft, the Boeing 747 for the le shareholder, some 18 large capacity long-range hauls, is ago, did not immedithe 250-seat Airbus for mediumusher in a new era of range distances, and the Boeing ity. Nevertheless, the com-

A smaller capacity aircraft comparable with the 100- to 130seater 737 (there is currently talk of a European alternative) could be ordered later if it were available. But for the time being Air France is aiming to do without, juggling the options with the larger aeroplanes as it pulls the Caravelles gradually out of its fleet.

The plan will give Air France, or so it claims, one of the plan, much delayed cheapest fleets to run in the use of the pilots' determina- world. It is now acknowledged

have similarly frugal aircraft in 1983. the rest of its fleet, with the Government covering the losses growth. Despite the energy business. Cash flow, of those which it does not want crisis, Air France believes that calculates, should come to operate—the Caravelle and this is coming. Indeed, the FFr 5.7bn for the period. the Concorde. ... chairman, M. Pierre Giraudet. The major part of the rest

Under the 1978 "contract," the government to take on all had foreseen. Hence the divestments will raise the of the Concorde costs in 1981, planned expansion in seat remainder.

The indications are that Air France will win this point, since 85 per cent of the FFr 11.6bn sent a shudder through the its five-year investment plan in which Air France expects to transport industries, have which this objective is set out invest during the next five already prompted the company

These are likely to become steadily more burdensome as fuel costs rise.

planted expansion in Seat capacity by 8 per cent a year— Nubudy at Air France claims through 14 new 747s, 17 Air that this is a business plan written on tablets of stone. This buses, and eleven 727s, written on tablets of stone. This

These aircraft will soak up year's oil price rises, which have ase of the pilots' determination world. It is now acknowledged which has already been vetted by the years. Investment funds will to calculate various options to 3.06 at the end of two in the cockpit, has arrived than any other authorities. Given agreement come from a variety of sources, depending on a variety of fuel with the Government of abandon the plan to buy airline, has been a success in on this issue, the company is First, there will be the company costs. But the group believes holders, there shot altogether.

The success in the condition of the plan to buy airline, has been a success in on this issue, the company is First, there will be the company costs. But the group believes holders, there shot of itself, now pushing into a new that long-term planning is shortage of lenders.

The company is aiming to FFr 660m for the period up to cra of mass transport, which, it necessary to achieve the laye similarly frugal aircraft in believes, will keep cash flowing financial aims which the present, be rest of its fleet, with the These results indicate steady strongly into the airline profit - oriented Government

same period last year.

# FINANCIAL TIMES REPORT

Wednesday June 27 1979

# Lead and Zinc

Usually sharing a common orebody, lead and zinc are traditionally thought of as a pair. This year, however, the fortunes of the two metals are varying. Lead prices have gone racing ahead, largely through heavy Russian buying. But prospects over the long term for both metals remain difficult to predict.

Price trends diverge

By John Edwards, Commodities Editor

in supply.

LEAD HAS surged ahead of its influence in the lead market has sister metal zinc during the past year, providing one of the most spectacular performances in the metal markets. Traditionally, the Soviet Union, which has lead (like its metallic proper-stripped away all surplus ties) has been the dull steady supplies and created a shortage. metal, while zinc has provided the fireworks with volatile price movements. Now the roles have been reversed.

Zinc prices have risen slowly and steadily during the the past 12 months, mainly as a result of cutting back output by producers to match demand more closely. Zinc producers, how-ever, claim prices are still too low to justify investment in new capacity and are gloomy about in Russia has expanded the use demand prospects.

shot up to all-time high, more population. than double the level of a year ago, and producers are reaping a rich reward. Particularly un-usual is the fact that the upsurge in lead did not follow a period of depression as so often happens with other metals.

#### Exploded

Lead prices held up very well during the long period of reduced industrial activity that hit most of the other metal markets hard, with huge surplus stocks piling up and under-high compared with total mining prices. This general Western world production of depression in metals held back nearly 3.7m tonnes of lead lead prices for a time, but the market subsequently exploded as the pressure became too

undoubtedly been the great increase in buying by the Communist bloc countries, led by

No one can explain satisfactorily why there should have been such an increase in lead purchases by the Soviet Union. There are many theories.

These range from stockpiling in case of a war with China to use of lead in nuclear plants. technical problems domestic output, or simply that the growing standard of living In contrast lead prices have Soviet Union's growing car

> Net imports of lead to the Communist bloc countries rose to 116,000 tonnes in 1978, compared with 43,000 in 1977, according to estimates by the International Lead-Zinc Study Group. This year the Lead-Zinc Development Association calculates that Russian purchases are running at the rate of 120,000 tonnes of metal annually, plus 80,000 tonnes of ore concentrates.

This quantity is not all that high compared with total metal. But the impact of the Communist bloc purchases is traded via the LME has an This market shortage situa-greatly exaggerated by the abnormal effect in boosting tion can only exist of course

Outside North America the theory there can be a shortage the shortfall. Normally the popular and most publicised price of lead is based on the of supplies available to the higher price levels should

daily quotations reached on the Exchange at a time when there attract any surplus stocks avail- in zinc output also meant a cut- discouraging consumption and boom in lead and some limited traded directly between con-

traded through the Exchange,

its pricing influence extends to

all lead sales.

London Metal Exchange (LME). are reasonably adequate sup-The bulk of lead supplies is plies overall. This indeed appears to be the situation at sumers and producers without present, with the cash price of touching LME, but the prices lead on the Exchange maintain-specified in these supply coning a considerable premium tracts are based on LME over the forward three-months

warehouses following heavy sus-

The price is further distorted

tained buying by the Russians.

quotations. So although only a quotation because of the low

percentage of lead is actually level of stocks held in LME

Even though North American by speculators jumping on to

lead producers fix their own the bandwagon to take advant-

domestic prices these have to age of the situation. Speculative take account of LME quotations forward buying is encouraged either to remain competitive or by the fact that the price goes

to ensure that an adequate higher as the delivery dates supply of ore concentrates for come nearer, even without the

the smelters can be maintained. market changing overall. But

The problem is that the re-moval by the Russians of the couraged when the cash price

prices by squeezing the amount when there are inadequate available to the market. In supplies elsewhere to make up

bulk of the residual supplies is at a premium.

able, either from producers or back in lead production.

the requirements of their con-

there has been little to spare for

buyers on the LME. Demand

for lead, apart from Communist

bloc buying, has been unexpectedly buoyant while

there have been various setbacks

The biggest setback in lead production has resulted,

depressed situation in zinc, where surplus stocks built up to

unprecedented levels, forcing

prices lower and lower. To

reduce these surplus stocks and

restore prices to more profitable

levels, zinc producers were

forced to make big cutbacks in

from the

Not generally appreciated, But so far producers have until too late, was the been struggling to keep up with underlying strength of lead

ing a considerable premium tracted customers; stocks have unexpectedly heavy buying by over the forward three-months dropped to very low levels and the Communist bloc as well as

weather, which boosted demand

for lead batteries. The oil crisis,

while putting up the cost of mining primary lead and

recovering scrap supplies, has

at the same time increased

demand for battery power and also slowed down the removal

of lead anti-knock compounds

from petrol.

Whether the upward frend in

lead prices can continue must

be open to doubt, although the

same pessimism about trends

has been expressed all the way

up. There are signs that specu-

lators are deciding to take their

stimulating production. But the extent of any increase in sup-plies depends partly on zinc; there are no real new reserves of lead ready to be exploited, like the Missouri lead belt, so any rise in primary production is likely to be fairly marginal. At the same time the flow of scrap lead supplies depends on the amount of new investment in cars, plant and machinery,

by an industrial recession. Scrap refiners, who supplysome 60 per cent of Britain's lead requirements, do not neces-sarily benefit from higher prices. They simply have to pay more for their raw materials and their margins are affected by the increased capital tied up in higher prices.

and would, therefore, be reduced

Nevertheless, the short-term trend in lead prices appears to be very dependent on whethr buying interest from the Soviet Union and other Communist bloc countries is sustained at its present level.

The present inflated price on the LME is mainly the result of Russian buying of surplus supplies, so the market could come down very sharply if this buying element was removed or reduced substantially. Meanwhile, however, the LME, with the help of the Russians, ap-pears to have achieved the objective of the old alchemists in turning lead into gold.

Zinc presents a very difoutput. Unfortunately, since profits and move elsewhere, ferent picture. Stocks remain lead and zinc are often produced from the same ore, and demand situation is changing in output that are now being smelted together, the reduction slowly, with the high prices restored as a result of the

improvement in demand.

If the expected economic recession does develop at the end

of the year, as feared, zinc producers could be struggling again. The official producer prices in Europe and North America, at which the bulk of zinc is sold, have been pushed up steadily during the past 18 months from very low levels. But there is some apprehension as to whether the rise in prices has been overdone. Producers are keeping a very wary eye on the LME zinc market.

#### Influence

Although only a small proportion of zinc supplies, mainly from North Korea, is traded via the Exchange, the market does provide a good indication of the underlying market trend. It has become a considerably bigger influence in recent years when the producer price system virtually collapsed under the strain of excessive stocks and anti-cartel regulations prevent-

ing producers getting together. At present the mild recovery in the steel industry has bolstered demand in zinc's main outlet—galvanising and coatings. But its other main market-diecasting-has suffered U.S., where the motor industry has turned away from zinc in search of lighter materials tohelp with energy cost-saving objectives. It seems doubtfu whether zinc will win that market back, even thingen its price is now much more competitive.

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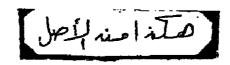
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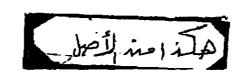
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#### **PRODUCTION**

# Increasing competition ahead

AND ZINC producers en staging a financial , but even though prices are appreciably han in the dog-days of in of the industry are
As Penarroya, the
group, has pointed out,
a constant dollars have

to 25m tunings this year. There
every year since 1974 when production was 4.48m tonnes.

The fact that production of
the two metals has moved in wer than in 1974. 2covery started last year,

only lead or only lead or only gain this year. But seen longer perspective, world mine output has a remarkably stable. It is amated Metal Corporaculated Western world in mine production at longer perspective.

The major groups saw their fortunes revive last year, and mines of metal in consumption only lead or only l a past five years, 1976 was the lowest, with producers.

The pattern for zinc is much the same. Western world mine production was 4.69m tonnes last year and is expected to rise to 49m tonnes this year. There has been a small rise in output

tandem is inevitable. As Mr. scovery started last year, Tom Borresen of Boliden, the for lead than for zinc, Swedish group, has noted, there erall production was is co-production of the two from n 1978 than in 1977 and the majority of mines. Mines to show a small in-producing only lead or only

s, and anticipates that indicates the pattern. In the this year will rise to mes. This would mean 9 will be the most pro-r since 1974 at least. of A\$18.6m. But currency problems were a bane for some

Penarroya, which ended 1978

with a loss of FFr 38.2m, com- prices for lead and this, accord- countries, anxious to maximise been far more intensively pros- for their own workers but also mented bitterly that the fall of the dollar, and the distortion that flowed from it, penalised

conditions easier, but pressure on costs and the generally modest rates of consumption increase foreshadowed over the 50 U.S. cents a pound is neces-next few years have made con-ditions increasingly competi-tive. Thus Penarroya is inten-sifying the emphasis in its roughly 25 per cent above pre-sifying the emphasis in its activities towards quality and speciality products rather than volume, and A.M. and S. is in-

vesting in plant which will in-crease by-product recovery. Such an approach is taking place against a background of they are forced to mine the two the developing world. The confusing prospects. Producers are receiving relatively high nificant for the developing of the industrialised world had

ing to Mr. Ted Yates of Cominco, revenue at a time when interthe Canadian group, is stimulating some new production, to the latest energy crisis are
notably in South Africa. But
the case of zinc is rather

Dr. Walter Sies of West Germany's Metallusselleshoft metal

back. There is no general ex-pectation of a rise in prices. Mr. Yates thinks that a zinc price of

be bullish, or moderately so. about lead, but are likely to be bearish about zinc. And yet

**DEMAND** 

European and Japanese producers. The biggest lead and ducers. The biggest lead and zinc producers — the U.S., are members of what is called the "dollar zone."

Clearly the greater steadiness of the dollar this year has made of the dollar this year has made fonditions easier, but pressure has the production, to the latest energy crisis are moving against them.

Dr. Walter Sies of West Germany's Metallgesellschaft noted two years ago that there is a shift of emphasis in the provitier has recently been owes a sion of lead and zinc mining good deal to the fact that the capacity towards the developing conditions easier, but pressure has made and the production, to the latest energy crisis are moving against them.

Dr. Walter Sies of West Germany's Metallgesellschaft noted two years ago that there is a shift of emphasis in the provitier has recently been owes a sion of lead and zinc mining good deal to the fact that the capacity towards the developing capacity. countries. About a third of additional mine capacity planned for 1980 would be in countries like Mexico, Peru, Brazil, Morocco and Algeria. He also mentioned Iran, but this possibility may presumably be discounted now, at least for a while. But the total impact of Present conditions therefore these plans would be to raise mean that the producers are appreciably the current 21 per being pulled two ways: they can cent share of production held

by the developing countries. There is too, of course, greater potential for new discoveries in

pected, Dr. Sies said.

At present the world's biggest zinc producer is Canada, with a 1975 production, according to AMC figures, of 1.2m tonnes. Canada is followed by Australia with 445,000 tonnes, Peru 420,000 tonnes and the U.S. 330,000 tonnes.

The order is shuffled for lead, so that the U.S. is the leading producer with a 1978 output of 530,000 tonnes, followed by Australia with 390,000 tonnes, and Peru 180,000 tonnes.

These total figures disguise the fact that U.S. lead and zinc production has been in steady decline over recent years, a decline which only this year is likely to be checked. There are particular problems for the U.S. industry, which may fore-shadow a trend for other producers in the developed world.

The U.S. mining industry in general has been shackled by official concentration since the beginning of this decade on higher environmental standards. The lead producers have not

with strictly defined air controls. "By law, ambient air stan-dards are health-based — eco-

nomic impacts cannot be considered in setting the standard. However, economics can be considered in setting the standard." said Mr. Douglas Hale, senior economist at the Environmental Protection Agency (EPA).

The effort to meet the standards will require extensive capital investment and will increase operating costs. The U.S. industry is not only worried about its ability to remain competitive, but acknowledges that some smelters may be unable technologically or financially to

comply. This year the EPA is looking at the problem on a plant-byplant basis, seeking to find a way along which the industry might travel towards the desired stanthe producers are profound and will take some years to work through in terms of the global

structure of the industry. All this produces an additional element of uncertainty been left out and have been for an industry whose future forced to contend not only with cannot be charted with any new occupational health criteria degree of precision. It has been

shown, especially in the deepest days of the post-1974 recession, that the producers cannot ex-pect to align market prices up against their operating costs. In addition, the recent rise in oil prices and developing shortages of fuel open up at least the possibility of a reduction in demand over the next year or so, thus checking the recovery in the industry.

Looking into the 1980s, Mr. Simon Strauss, vice-chairman of Asarco, the U.S. group, has suggested that voluntary efforts by producers to control prices will be scrutinised and subjected to

legal restraints.
Noting that international commodity agreements for lead and zine are unlikely, he has predicted fluctuating prices in tune with the cbb and flow of demand - with zinc, closely associated with economic cycle and capital spending patterns, the more volatile. Such vola tility will continue to put lead and zine at a disadvantage with competitive materials. If he proves right, it is a sombre outlook, suggesting that perhaps the producers are enjoying an

Indian summer

Paul Cheeseright

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# Hopes pinned on newer nations

countries to provide the main supplies. The high percentage of steel with the threatened indusgrowth in demand during the years ahead. At present the high percentage of steel with the threatened induscription of the steel with the steel with the threatened induscription of the steel with t bulk of consumption of both used batteries, but a change in World zinc consumption in metals is very much centred in the constituents obviously proindustrialised countries, but the annual rate of growth in descent annual rate of growth in descent difficulty. During the was 10 per cent below the 1973

source of its sales. In the non-expected to provide more power Communist world, according to to service increasing electrical Development Association, batteries now account for over 50 per cent of all lead consumption and as much as 60 per cent in the U.S. alone.

Dependence of this sort obviously leaves the industry somewhat vulnerable, but at the moment there is no real replacement for the lead-acid battery in despite considerable efforts to develop alternatives. There have, however, been considerable changes in battery

manufacturing techniques with the development of the "maintenance free" and low main-tenance batteries, particularly in the U.S. The main effect of these

developments has been to reduce the antimony content in batteries and present some tech-

looking towards the developing important recovery of secondary dict a promising outlook for

There has already been a significant change in the pattern of lead consumption overall. The lead industry is becoming increasingly dependent on batteries to provide the main source of its sales. In the main schievement creased zinc consumption in the developing countries, where the annual growth rate is allowed industry is becoming increasingly dependent on reduced weight for fuel saving purposes and with the battery

auirements This should swing the pen dulum back to shorter-life batteries again. At the same time the development of electrically powered vehicles, although still at an early stage, should boost lead demand in the future.

If lead prices remain too high, however, there is an obvious threat to future expansion in batteries. The cost of lead is accounting for an increasingly high proportion of the total cost of vehicle and industrial batteries. Manufacturers are faced, too, with a tremendous extra burden in financing the high prices. Although they can eventually be passed on to the consumer, increased liquidity is required and this also raises

the eventual cost of the battery and reduces demand. The other important factor is tion of lead being recovered from batteries, the growth in this market is not as helpful to primary mine producers.

The main outlet for lead, where the metal is not recovered, is in the manufacture of anti-knock compounds for petrol. The use of lead in petrol is not being phased out as quickly as expected, mainly because the cutback in oil supbecause the curoack in on supplies has persuaded governments to slow down action against an efficient way of boosting octane ratings. The boosting octane ratings. The decline in U.S. anti-knock compounds has not been repeated in other less environment-con-scious countries to anything like the same extent. Nevertheless, in the long term it can be expected that lead will gradually disappear from petrol.

#### Anti-knock

The growth potential in other markets, apart from batteries, does not look too promising. But past experience has shown that as soon as lead loses one market it inevitably gains another. Who had heard of lead-

acid batteries 75 years ago?
The outlook for zinc is rather less promising. Consumption was badly hit by the 1974 shortage boom which triggered off intensive efforts into finding alternative products give in citil alternative products; zinc is still suffering from the aftermath. Unfortunately zinc is also facing a longer term threat from the loss of sales to the die-

casting market, a loss it is going to find great difficulty in recovering. The die-casting market for zinc in the U.S. has been nothing short of a disaster, with zinc being written out of the design of many modern cars, simply because of the weight problem. So far zinc has fared somewhat better in other industrialised countries. but the trend has been set in the U.S. and must pose worries about the future.

The biggest outlet for zinc is still for galvanising steel to provide extra protection, but this means that zinc sales are tunes of the steel industry. Few

mand had been rising much transitional period, therefore, level, and it will require a big faster in developing areas.

There seems every reason to expend to continue, little or no antimony content competitive prices. An indusand probably accelerate, particularly with the oil supply
ticularly with the oil supply
trial recession would obviously
type of batteries is completed, undermine those efforts in the
crisis bringing general shifts in
the pattern of industrial developments worldwide.

This is likely to be phased over
many years.

So far the main achievement creased zinc consumption in So far the main achievement creased zinc consumption in

John Edwards

#### WORLD PRODUCTION AND CONSUMPTION

(000)	tonnes)					
LEAD						
	1973	1974	1975	1976	1977	197
Mine Production Net Trade with Socialist Countries*	2,593 ~- 20	2,544 -30	2,514 30	2,376 30	2,511 -29	2,5f
Metal Production  Metal Consumption		3,586 3,683	3,312 3,176	3,541 3,552	3,783 3,790	3,68 3,70
Balance: Production/Consumption	-220	-97 -60	+135 -101	-11 -71	-7 -43	-1 11
Net Changes in National Stockpiles: U.S.	_	+241	+6	·-		-
Statistical Balance		+84	+41	-82	-50	-13
						. • •

1- 1.	71110						
3	ZINC					_ ·	
g	<u></u>	1973	1974	1975	1976	1977	1978
y y s- y	Mine Production Net Exports to Socialist Countries* Direct use for Zinc Oxide		4,506 -13 -129	4,547 -42 -85	4,548 90 103	4,825 -189 -100	4,719 -183 -103
e [- ]- n	Net Trade with Socialist Countries:	4,259 4,850 -591 +167	4,373 4,562 -189 +84	3,769 3,552 +217 +65	4,135 4,148 -13 +39	4,280 4,224 +56 +45	4,273 4,524 251 10
_  -  -	Net Changes in National Stockpiles: U.S.  Japan*		+259	+5	+1 -12	+1 -51	+2 -82

Metal with a history. Lead today furthers progress in many branches of industry. Lead from Metaligesellschaft. The Company is engaged in the mining and exploitation of zinc-lead ores in the

Federal Republic of Germany and imports zinc and lead concentrates from all over the world. 190000 tonnes per annum of refined lead, high-purity lead, hard lead and cable sheathing lead and lead alloys are supplied by the smelters of Metallgesellschaft and its shareholdings and subsidiaries. Almost the total consumed and exported by the Federal Republic of

Castings, rolled and extruded components, I in fact, just the right degree of knowledge stampings and products for plant engineering, sound insulation and radiation protection are supplied by the Vereinlate Zinkwerke GmbH, Stolberg, a member of the Metaligesellschaft Group.

the clock and around the globe. An experienced team offers individual service on a world-wide scale - fast, flexible and reliable, geared to new technology, supplying consumers, any quality - any time any place. Metals are our element. A century of experience in prospecting, exploration, mining and marketing of ores and metals, research and metallurgy; manufacture of high-quality semi-finished and finished products; development, planning and design of the most modern industrial plant: development of new

engineering and chemical processes:

insurance services.

group-integrated transport, banking and

Metallgesellschaft trades metals around

and experience our partners need.

The Supply of Raw Materials The Production of Metals and Energy The Protection of the Environment The Priorities of Our Age The Priorities of Metaligesellschaft

METALLGESELLSCHAFT AG Reuterweg 14, Postbox 3724 D-6000 Frankfurt am Main 1 METALLGESELLSCHAFT LTD.\* 19-21 Great Tower Street London EC3R 5AQ METALLGESELLSCHAFT AG London Trading Branch 1 Kingswav London WC2B 6XF

# Commodity Surveys 1979

The Financial Times is planning to publish a number of Surveys on Commodities. The titles and provisional publication dates are listed

7 September

20 September U.S. Commodities 9 October Sugar

18 October London Metal Exchange

> 9 November Cotton

7 December Rubber

The Financial Times publishes over 250 separate Surveys every year on a wide variety of subjects. The compete Survey schedule is available on

For further information on Commodity Surveys and details of advertising rates please contact: **Meyrick Simmonds** Financial Times, Bracken House

10 Cannon Street, London ECAP 4BY

#### Tel: 01-248 8000 Ext. 7180 FINANCIALTIMES EUROPE'S BUSINESS NEWSPAPER

The content, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

This document includes particulars given in compliance with the Regulations of the Council of The Stock Exchange for the purpose of giving information with regard to Fairline Boats Limited ("the Company") and its subsidiaries ("the Group"). The Directors have taken all reasonable care to ensure that the facts stated have a recturate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or of opinion. All the Directors accept responsibility accordingly.

Copies of this document have been delivered to the Registrar of Companies for registration, each copy having attached to it the documents specified havein.

Application has been made to the Council of The Stock Exchange for the whole of the issued Ordinary Share capital of the Company to be admitted to the Official List.

# FAIRLINE BOATS LIMIT

Authorised £500,000

# **Share Capital**

in 5,000,000 Ordinary Shares of 10p each

Issued and fully paid £350,000

INDEBTEDNESS

At the close of business on 8th June, 1979, the Group had no loan capital (including term loans) outstanding, or created but unissued, and had outstanding no mortgages, charges or other borrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments, or guarantees or other material contingent liabilities. At that date the Group had cash and bank balances of £844,845.

# Placing by **Barclays Merchant Bank Limited** of 1,225,000 Ordinary Shares of 10p each at 80p per share

The Ordinary Shares now being placed rank in full for all dividends hereafter declared or paid in respect of the issued Ordinary Share capital of the Company.

#### **Board of Directors**

SAMUEL TOMPSETT NEWINGTON M.B.A. Fairline Boats Limited, Barnwell Road, Oundle, Peterborough PES 5PA (Chairman and Managing Director)

JOHN TOMPSETT NEWINGTON Fairline Boats Limited, Barnwell Road, Oundle, Peterborough PE8 5PA

**BRIONY ANNA NEWINGTON** 

Fairline Boats Limited, Barnwell Road, Oundle, Peterborough PES 5PA DAVID RICHMOND PROCTOR 10 Pinchbeck Road. Spalding, Lincolnshire PE11 1PZ

(Non-executive) JOHN FREDERICK SHARMAN 10 Church Street, Peterborough PE1 1XB

(Non-executive)

The following is a copy of a letter to the Directors of Barclays Merchant Bank Limited from

26th June, 1979

The Directors.

Barclays Merchant Bank Limited.

In connection with the placing of 1,225,000 Ordinary Shares of 10p each in Fairline Boats Limited ("the Company"), I have pleasure in providing you with the following information:—

The business was started in 1963 by my father, Mr. J. T. Newington, and my mother in partnership. They had previously built up a successful frozen chicken business which was sold to Ross Group Limited in 1961. They acquired some disused gravel pits at Barnwell Road, Oundle, Northamptonshire, and linked these to the River Nene in order to start a marina. The business expanded to include a small hire fleet of boats and a chandlery. In 1967 they further extended the business by fitting out bought-in hulls and decks. In 1968, when the business was incorporated as Oundle Marina Limited, boat building began with the development of a 19 foot boat. This was the first of the series of motor cruisers for which the name of Fairline is now well known. With the success of this name, the Company's name was changed to Fairline Boats

In 1974 the Company sold the marina, the hire fleet and the chandlery to a newly formed company c<del>yrred by</del> —y father and myself and also called Out the whole of the issued capital of which was acquired by the Company on 25th June, 1979. In September 1978 the Ground hard him acquired by the Company on 25th June, 1979. In September, 1978 the Group's boat hire activities were further developed by the acquisition of Kelly Line Limited ("Kelly") which operates a hire fleet based at Godmanchester, Cambridgeshire on the River Great Ouse, The Company and these two subsidiaries now

#### BUSINESS

The Company's main business is the development and sale of fibreglass (glass reinforced plastic) motor cruisers for both inshore and offshore use. The present models, ranging in overall length from 23 foot to 40 foot, have been designed and developed over the last ten years by independent naval architects in conjunction with the Company's own design team.

The following table sets out the range of models manufactured since boat building commenced in 1968:--

Model	Length	Year of introduction
<del></del>		<del></del>
Fairline 19	19ft.	1969 \
Fury Series I	25 tt.	1969
Holiday Series I	221t.	1972 Since discontinued
Family	201t.	1972
Visen	20 lt.	1973 }
Fairline 32	32 ft.	1974
Mirage	29 ft.	1975
Sedan	32 ft.	1976
Fairline 40	40ft.	1977
Haliday Series II	23ft.	1978
Fury Series II	26/t.	1978

It is the Company's policy progressively to improve the current range of boats and constantly to develop new additions to the range. Present retail list prices in the U.K. are from £10.114 to £73.513.

The Company's policy is to sell through distributors and it has long-standing relationships with a widespread network of distributors in the U.K. and overseas. Export markets have been successfully developed and in the year to 30th September, 1978, some 44 per cent. of the total value of boat sales was directly exported, the major export markets being West Germany, Holland, France and Scandinavia. The Company does not generally make boats for stock but only against firm orders from distributors who are required to place deposits with orders. At present, deposits are held by the Company covering sales of approximately £2 million worth of finished boots for delivery into the autumn of 1979, although no profit is taken until the boat is invoiced for final delivery. The present production capacity of its factory at Oundle is approximately £6 million per annum at current prices. Further facilities are being constructed to enable capacity to be increased by approximately 25 per cent, and it is expected that the new buildings will be operational by October, 1979.

The main raw materials used in the construction of the boats are fibreglass and resin which are bonded in moulds to produce the hulls and decks. These raw materials are supplied by major international companies. The Company has its own woodworking shop which supplies the timber interior fittings for boats; other items such as stainless steel, windows, fuel tanks and upholstery are obtained from a range of U.K. companies with whom strong relationships have been developed over the years. Engines are supplied by three manufacturers to suit the various models. The largest supplier is Volvo Penta in Sweden and the Company was Volvo Penta's largest single U.K. customer for marine engines in 1978.

it should be noted that all development expenditure on moulds—the backbone of the Company and the basis for product identification and differentiation from competitors is written off as it is incurred and is not carried forward into the balance sheet, although the moulds have considerable value to the business over a number of years. Indeed, the moulds are insured for £200,000, based on replacement cost.

Oundle runs the marina (with moorings for 135 boats), a hire fleet consisting of 6 boats at present and the chandlery at Oundle. The Group's hire fleet activities have been augmented by the purchase of Keliy, whose fleet now consists of 11 boats and which operates from a site of some 1.3 acres at Godmanchester. It is intended to expand the Kelly fleet to at least 15 boats by 1981. Both hire fleets are let through a leading holiday booking agency and are virtually fully booked for the current season.

#### Secretary and Registered Office DAVID RICHMOND PROCTOR (Solicitor)

Barnwell Road, Oundle, Peterborough PES 5PA

**Auditors and Joint Reporting Accountants** HODGSON, HARRIS & CO.

Chartered Accountants, Welland House, High Street, Spalding, Lincolnshire PE11 1UB

Joint Reporting Accountants BINDER HAMLYN

Chartered Accountants, 8 St. Bride Street, London EC4A 4DA

#### FINANCIAL STATISTICS IN BRIEF

The following information is derived from the full text of this document and accordingly must be read in conjunction with that text. **Group Trading Record** 

Years ended 30th September

1	,,	5813 611461	1 30U1 QE	hteimpei		nded 31st
Sales U.K	1974 £000 385	1975 £000 441	1976 £000 513	1977 £000 1,257	2,048	March, 1979 £000 1,191
Overseas	658	870	1,488	2,585	3.616	2,267
Profit before taxation	13	47	148	310	521	283
Forecast for the year at Sales not less than Profit before taxation not Dividends per share: Based on expected tax Based on theoretical tax	less than sive of relat charge	ted tax cre	edit)			£5.172m £750,000 7.428p 13.928p 10.285p
. <b>Assets at 31st March,</b> Group net tangible assets Group net tangible assets						£1.442m 41.2p
Placing Statistics Placing prize Market capitalisation at th Dividend yield forecast (in Dividend cover (based on	clusive of re	lated tax		r cent.)		80p £2.8m 9.28% 1.97
Price earnings ratio: Based on earnings fore Based on earnings fore					er cent.	5.7 7.7

The Company has a trading relationship with a Canadian company under separate independent ownership which is also called Fairline Boats Limited and which has developed a range of boats by utilising some mouldings supplied by the Company. The Company receives a licence fee in respect of boats produced from these mouldings.

The Directors are continually looking for opportunities to expand and diversify the Group's activities.

#### MANAGEMENT AND STAFF DIRECTORS

I am 44 and have been a Director of the Company since 1970. I have overall responsibility for all aspects of the running of the Group. I was educated at Stamford School and the R.A.F. College, Cranwell and later joined my father in his frozen chicken business in 1960. After its sale, I continued as Sales Director of Ross Chicken Limited until 1967 when I left to take an M.B.A. course at Columbia University in New York where I graduated top of my year. From Columbia I joined McKinsey & Co. as a management consultant, leaving them in 1971 to take up full-time

My father, Mr. J. T. Newington, is 73. He is responsible for capital development and for financial control of the Group. His early career was with Shell-Mex B.P. which he left in 1952 to start his own business

My wife, Mrs. B. A. Newington, who is 36, assists with product development, export sales

Mr. D. R. Proctor, the Company Secretary, who is aged 34, joined the Board as a nonexecutive Director on 14th May, 1979. He is a partner in Roythorne & Co., the Group's solicitors. My brother-in-law, Mr. J. F. Sharman, is aged 41 and joined the Board as a non-executive Director on 14th May, 1979. He is the Chairman & Managing Director of Sharman Newspapers Limited, publishers of the Cambridgeshire Times group of newspapers.

It is expected that the Board will be strengthened by the appointment of further executive Directors as the Company expands.

#### SENIOR MANAGEMENT

Mr. Peter Nye, aged 56, joined the business in 1967. He is a Director of Oundle and is responsible for its day-to-day management. Mr. Terence Kelly, aged 35, joined the Group on the acquisition of Kelly in 1978. He is a

Director of Kelly and is responsible for its day-to-day management. The Group Directors are supported by an experienced and able team of senior executives

who include the following:-Date of ioining Name Position the business Purchasing and Supplies Manager Mr. David Wills 43 1965 Mr. Grant Walker **Production Manager** Mr. Michael Harling Product Development Manager 41 1968 in addition we have recently recruited Mr. Robert-Freeman A.C.C.A., aged 32, who will join the Group as Chief Accountant on 1st August, 1979.

28th June, 1979

The Group employs 148 people including the above executive Directors. Employee relations have been excellent throughout our history. The employees of the Company participate in both a productivity bonus scheme and a profit sharing scheme and the employees of Oundle participate in a bonus scheme and a profit sharing scheme. Under both profit sharing schemes ten per cent. of the pre-tax profits (before interest and capital items) of the Company and Oundle are divided among their respective employees in proportions varying with respective grades of

The Group's employees are in the state pension scheme and the Group also provides as a top-up a non-contributory pension scheme for all eligible employees.

To the Company **ROYTHORNE & CO.** 10 Pinchbeck Road, Spalding, Lincolnshire PE11 1PZ

To Barclays Merchant Bank Limited McKENNA & CO. Inveresk House, 1 Aldwych, London WC2R OHF

2 London Wall Buildings, London Wall, London EC2P 2BU

HEDDERWICK STIRLING GRUMBAR & CO.

1 Moorgate, London EC2R 6AA and The Stock Exchange

Receiving Bankers **BARCLAYS BANK LIMITED** BARCLAYS BANK (LONDON AND 10 Hall Place, INTERNATIONAL) LIMITED New Issues Department, P.O. Box 123. Spalding, Lincolnshire PE11 1SR

> Registrars and Transfer Office BARCLAYS BANK (LONDON AND INTERNATIONAL) LIMITED Radbroke Hall, Knutsford, Cheshire WA16 9EU

Employee participation is encouraged through a works council which consists of the Managing Director, two managers and five elected employed

In addition to full-time employees, the Company uses the services of independent naval architects, John A. Bennett & Associates Limited and Bernard Olesinski Limited, who are remunerated by design fees and royalty payments. John A. Bennett & Associates Limited have been involved in the design of most of the Fairline range, and Bernard Olesinski Limited has been involved in the design of the latest Fury and a newly designed 21 foot boat, Weekend.

Bankers

The Group's freehold properties at Barnwell Road, Oundle, Northamptonshire and at Bridge Place, Godmanchester, Cambridgeshire were valued as at 31st March, 1979 by Mr. Hugh G. Smith F.R.I.C.S., senior partner of Wilson & Partners. Surveyors, of Kettering, Northamptonshire, on an open market existing use basis at £542,000.

The site at Barnwell Road, Oundle occupies a total area of 23.6 acres. The marina site which has been steadily improved accounts for 19.1 acres and includes the chandlery whose area is 2.400 square feet. The balance of the site, 4.5 acres, is occupied by the boat building business and comprises purpose-built factory buildings, workshops, stores and the Group's offices. The total area of the buildings is 63,000 square feet and this will be increased by 10,400 square feet by October, 1979. Kelly operates from the site at Godmanchester which has a total area of 1.3 acres and

which comprises a workshop, stores and offices with a total area of 2,715 square feet. .All areas referred to above are to be treated as approximate.

ING CAPITAL

.The Directors are of the opinion that the Group has sufficient working capital for its

#### PROFITS AND PROSPECTS

As shown in the Joint Accountants' Report dated 26th June, 1979, the sales of the Group have risen in the last five years from £658,000 in the year to 30th September, 1974, to £3,616,000 in the year to 30th September, 1978, and the profit before taxation has increased during that period from £13,000 to £521,000. For the six months to 31st March, 1979, Group sales were £2,267,000 and profit before taxation was £283,000.

In respect of the full year to 30th September, 1979, the Directors are forecasting that Group sales will be not less than £5,172,000 and that the Group profit before taxation (and after employees' profit share) will amount to not less than £750,000. It should be noted that it is the normal experience that the results for the second half year exceed those for the first half year. There are two principal reasons for this. First, better terms are given to distributors ordering for autumn and winter delivery, and, secondly, there is a lower level of promotion costs and a higher level of production in the second half year. In addition, income from boat lettings and chandlery sales tends to be concentrated in the summer months.

The Company's expansion has been assisted mainly by its consistent policy of developing new and attractive boats for sale at competitive prices and by adding to production capacity. The new Weekend is to be introduced at the Southampton Boat Show in September, 1979, and an updated 32 foot model is planned to be introduced at the London Boat Show in January. 1980. The factory extensions referred to above will enable production of the existing 29 foot Mirage and 23 foot Holiday boats to be increased and will also provide facilities for the production of the Weekend.

#### DIVIDENDS

On the basis of the profit forecast given above, it is the intention of the Directors to recommend the payment of a dividend of 3.5p per share (payable in or about February, 1980) in respect of the year ending 30th September, 1979. This will be the first dividend payable by the

if the Company had been listed on The Stock Exchange for the full year, the Directors would have declared an interim dividend of 1.7p per share (which would have been payable in June. 1979 on the present issued Ordinary Share capital). The total annual dividends on this basis would, together with the associated tax credits (assuming a basic rate of income tax of 30 per cent.), provide a gross equivalent of approximately 7.428p per share.

On the above basis the allocation of forecast profit before taxation in a full year would be

Forecast profit before taxation	£750,000
Less: Corporation tax	£262,500
Earnings attributable to shareholders (equivalent to 13.928p per share) Cost of dividends for a full year	£487,500. £182,000
Retained earnings	£305,500

On the basis of expected allowances and reliefs the corporation tax rate has been estimated to be

The cover for these dividends would be 2.67 times on the basis of the earnings attributable to shareholders shown above and 1.97 times on the basis of fully taxed earnings At the placing price of 80p per share, the gross dividend yield on the basis of dividends of 5.2p per share is 9.28 per cent., and the price earnings ratio on the basis of the earnings shown above would be 5.7. On a fully taxed basis, earnings per share would be 10.285p and the price earnings ratio would be 7.7.

Yours faithfully.

146

171

4.9p

366

S. T. Newington, Chairman.

5. Consolidated Profit and Loss Accounts

(vili)

Retained profits

Earnings per share

#### Six months ended 31 st 1977 1978 M £000 658 641 2000 870 817 £000 1,488 1,340 £000 3.616 3.109 2000 \$000 2.267 2,007 Operating profit 17 - 53 148 297 507 260 \_\_(6) 47 \_\_\_ 47 \_\_\_ 47 \_\_\_ 1.3p (4) 13 --13 --13 13 23 148 2 Profit before taxation 310 521 124 283 305 305 8.7p 146 Profit after taxation 397 (31) 171

#### APPENDIX I

JOINT ACCOUNTANTS' REPORT

The following is a copy of a report which has been received from the joint reporting accountants, Hodgson,

The Directors, Fairline Soats Limited, and Barclays Merchant Bank Limited.

Report on audited accounts 1974 to 1979

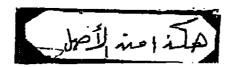
1. We report on the balance sheet of Fairline Boets Limited ("the Company") at 31st March, 1979, the consolidated balance sheets of the Company and its subaidiary companies ("the Group") at 30th September in each of the years 1973 to 1978 inclusive and at 31st March, 1979, and the consolidated profit and loss accounts and source and application of funds statements for the five years ended 30th September, 1979, and the six months ended 31st March, 1979.

Both the subsidiary companies are wholly-owned. Kelly Line Limited ("Kelly") was acquired on 30th September, 1978, and has been consolidated from that date. Oundle Marina Limited ("Quadle"), which took over the Company's boat-hire, marina and chandlery business, was incorporated in 1974 and was under the ownership of members of the Newington family until acquired by the Company on 25th June, 1979. In view of the common ownership of the Company and Quadle and their close management and trading links, Quadle has been treated as a subsidiary of the Company throughout the period under review for the purpose of the financial information presented below. Hodgson, Harris & Co. have been auditors of the Company and Quadle throughout the relevant accounting periods and were appointed as auditors of Kelly with effect the 1978.

The information presented below: hand for the audited resource after relevant activation and contribute on the audited resource after relevant adjustments of

The information presented below is based on the audited accounts after making such adjustments as we consider to be appropriate. In our opinion, the financial information, which has been prepared on the historical cost basis, including the revaluation of land and buildings, gives a true and fair view of the profit and source and application of funds of the Group for the five years and six months ended 31st March, 1979, and of the state of affairs of the Group at 30th September in each of the years 1973 to 1978 inclusive and at 31st March, 1979, and of the Company at 31st March, 1979. 4. There have been no audited accounts of any of the companies in the Group since 31st March, 1979.

صكذامند للصل



Compa	ws. ny	-		•	77	he Grous	2		•
31st March	-	Matas	<del></del>		Oth Sep				318
1979	_	Notes_	1973	1974	1975	1976	1977	1978	Merc 197
5000		• •	5000	2000	5000	2000	£000	2000	202
695 53	Fixed essets Subsidiary company	(x)	126	134	148	154	268	501	82
	Current assets: Stocks and work in progre	[		·					
702 248 466	less deposits  Debtors  Bank balances	(xō)	108 14	116 53	137 89 4	302 71 26	533 121 177	750 139 271	72 24 47
,416			122	169	224	.399	831	1,160	1,43
170 386 233	Current liabilities: Déposits from distributors Bank overdrafts (secured) Creditors Taxation		2 17 91	77 75	13 57 104	44 31 132 2	89 3 353 5	126 13 357 124	17 41 23
 789	Hire purchase commitmen	rts	110	 152	174	209	450	26 646	82
						<u> </u>	_==		_==
627	Net current assets		12	17	_50	190	381	514	_61
375	Net tangible assets		138	151	198	344	649	1 <u>.015</u>	1,44
89 286	Representing: Share capital Reserves	(xii)	. 89 49	<b>89</b> 62	89 109	89 255	<b>29</b> 560	89 926	2 7,35
375	Shareholders' funds		138	157	198	344	649	1,015	1,44
Source	and Application of the	Group Fo	mds				_	Six	mon ed 3
					nded 30	ith Septi 976	1977	1978	Mai 19
•			197 £00			97 <u>0</u>	<u> 5000</u>	5000	£0

tecounting policies he principal accounting policies, which have been consistently applied in preparing the financial formation in this report, are as follows:

18

(60)

134 2

194

(45) (221)

·15 179

194

267

252

168 84

252

90

217

104 (25) (44) (31)

213

217

25.

33

(13) (29)

9

24

33

. 17

142

(18) 171 (31) (28)

94 48

142

Basis of consolidation
The accounts of the Company have been made up to 30th September in each year except for those for the six months ended 31st March, 1979. The accounts of Oundle have been made up to 31st October of each year from 1975 to 1978 inclusive and also for the five months ended 31st March, 1979. Its results, which are not significant to the Group, have not been adjusted to the same accounting dates as the Company for the purpose of consolidation. Goodwill arising on the consolidation of Kally, being the excess of the purchase consideration over net tangible assets, was written off in the year ended 30th September, 1978.

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost in the case of work in progress includes labour and production overheads and is arrived at by deducting an appropriate percentage from selling price.

Deferred taxation
Defarred taxation is provided on the liability method except where the Directors are satisfied that no amount will become payable in the foreseeable future. At 31st March, 1979, no such provision was considered necessary. Basis of con-

was considered necessary. Depreciation is provided so as to write off fixed assets by equal annual instalments over their useful

lives at the following annual rates: Freehold buildings Fixtures and fittings Plant and machinery

cation of funds

chases of fixed assets (net)

esse/(decrease) in debtors

esse/(decrease) in Equid funds

ease/(decrease) in stocks and work in progress

rease/(increase) in deposits from distribu

Research and develop All expenditure on research and development, including the production of boat moulds, is written ff in the year in which it is incurred.

nover represents amounts invoiced to third parties for goods and services supplied during and set

stee to the Accounts		<i>,</i> "				months ended
A Committee of the Comm	Y	ars ende	· 31s	31st March		
·	1974	1975	1976	1977	1978	1979
	£000	£000	2000	£000	£000	0002
irnover by geographical location, was:						
/.Germany	97	93	129	229	627	389
ance	110	222	427	313	125	89
weden			109	221	101	45
	_	_	29	89	_	16
enmark		8	78	90	_	19
crway	_	27	77	179	366	241
etherlands		27	36	34	106	26
aly		25	18	33	25	12
elgium:	11					239
ther	55	54	72	140	218	_235
•		429	975	1,328	1,568	1.076
• • • • • • • • • • • • • • • • • • • •	273			1,257	2.048	1,191
.K.	385	441	513	1,257	2,040	1,131
	CEO	870	1.488	2,585	3.616	2,267
	658		1,400	<del></del>	3,010	
e turnover and profit before taxation of the		d abaadla	- heine	e have or	d baan ea	narotek
e turnover and profit before taxation of the	таппа ап	d Cultura	i à neserate	10 48 III	v nesinael	Har aresi
ited as they are not significant in the contex	t or the Gi	oup.				
st of sales includes charges for depreciation						
follows:	9	11	11	20	34	24
				<del></del>		====
erest comprises:			_			

:erest compreses: :erest receivable ss: interest payable st interest receivable/(payable) xation comprises: right completes and the result for the right right right and capital allowances \_ \_ \_ 2 \_ 5 \_ 124 \_ 112 deferred taxation had been provided in full e (ollowing additional provisions for corpor-ion tax would have been required: 80 154 147 25 straordinary items comprise: \_\_\_\_\_\_(31) stained profits include the following nounts relating to Oundle: 12 7 mulative reserves of Oundle at 30th September, 1978 of £34,000 will be treated as pre-acquisition in the Group accounts at 30th September, 1979.

arnings per share have been calculated throughout on the basis of the profit after taxation and 500,000 Ordinary Shares of the Company in issue immediately after the placing o dividends have been paid by the Company throughout the five years and six months ended 1st March, 1979.

xed assets are stated at cost or valuation, less accumulated depreciation, as follows:

e e				The Gro	<u>ир</u>		
<del>-</del>		3	Oth Sep	rember		. 3	1st March
<u>-</u>	1973	1974	1975	1976	1977	1978	1979
<del>-</del>	\$000	£000	2000	£000	2000	£000	0003
Freshold property Valuation Cost Depreciation	9 <del>7</del>	101	101 2	109	192	335 12	542 90 
Net book amount	97	100	99	106	186	323	632
Plant and machinery Cost Depreciation	39 15	51 22	60 29	69 34	123 49	171 70	191 83
Net book amount	23	29	31	35		101	108
Hire cruisers Cost Depreciation	<u>8</u>	8	24 6	21 	16	92 15	98 15 
Net book amount		5	18		<u> </u>		
Total Valuation Cost Depreciation Net book amount	144 18 126	160 26 134	185 37 148	199 45 154	331 53 268	598 97 501	542 379 98 823
١	Valuation Cost Depreciation Net book amount Plant and machinery Cost Depreciation Net book amount Hire cruisers Cost Depreciation Net book amount Total Valuation Cost	Freehold property Valuation Cost Depreciation Net book amount Plant and mechinery Cost Depreciation Net book amount Valuation Cost Depreciation Net book amount Cost Depreciation Total Valuation Cost Depreciation 16 Total Valuation Cost Depreciation 144 Depreciation 18	1973 1974   2000   20	30th Sep   1973 1974 1975   5000 5000 5000 5000   5000 5000 500		1973 1974 1975 1976 1977   1976 1977   1970   197	

reshold properties (except for a house subsequently sold at cost price plus expenses) were valued at open at value on an existing use basis as at 31st March, 1979 by Hugh G. Smith, F.R.I.C.S., Senior Partner, in & Partners of Astering. The valuation, which gave rise to a surplus of £256,000, has been included account at that date. accounts at that date.

Stocks and work in progress, less deposits, company				The Gro	up :		
• March	_	: 3	Oth Sep	tember		31	st March
· ·	1973		1975	1976	1977	1978	1979
979	2000	2000	5000	£000	5000	0002	2000
2000 315 Bost building work in progress		27	21	133	208	323	315
Less Related deposits rectived	· · . —	_	_	1 <u>5</u>	31	. 44	44
44 from distributors 271	9	27	21	118	177	279	271
Materials and consumable stores Chandlery shop-retail stocks	<b>98</b> 1	88 1	100 10	178 6	3\$0 6	460	431 23
702	108	<u>-116</u>	131	302	<u>533</u>	750	725

relevant proportion of deposits received from customers is offset against work in progress. Where a sit exceeds the cost of the related work in progress the surplus is shown as a current liability.

(xii) Reserves The Company	The Group						
31st March		3	Oth Sep	tember		31	st March
1979	1973	1974	1975	1976	1977	1978	1979
£000	£2000	£000	£000	£000	2000	2000	£000
205 Revaluation surplus 1,081 Revenue reserves (note (vii)) 1,286	49 49	62 62	109	255 255	560 560	926 926	256 1,097 1,353

(xiii) Deferred Taxation

ne Compan	¥				The Gro	up		
1st March			. 3	Oth Sep	ember		31:	st March
1979	<b>→</b> .	1973	1974	1975	1976	1977	1978	1979
£000	-	5000	£000	£000	2000	£000	£000	2002
338	Stock appreciation relief Excess of tax allowances on buildings, plant and other fixed assets, over	-	-	23	114	206	294	338
159	depreciation Contingent capital gain on	42	50	52	37	99	159	371
58	revaluation of property	_	_	· —	_	_	_	68
3	Other timing differences	_	_	_	4	4	3	ā
558		42	50	75	155	309	456	580
	-		صند		==		==	===

(xv) At 30th September, 1978, the Company was a close company within the meaning of the Income and Corporation Taxes Act 1970. As a result of the placing, it is expected that it will no longer be a close company at 30th September, 1979.

Yours faithfully.	
HODGSON, HARRIS & CO. Chartered Accountants	 BINDER HAMLYN Chartered Accountants

CCOG

82 106

188

£000

52 106

188

#### APPENDIX II

#### STATUTORY AND GENERAL INFORMATION

Contracted but not provided for in accounts

Authorised but not contracted

1 SHARF CAPITAL

On 26th June, 1977, being the date two years preceding the date of this placing, the authorised share capital of Fairline Boats Limited ("the Company") was £95,000, divided into 5,000 voting "A" Ordinary Shares of £1 each and 90,000 non-voting "B" Ordinary Shares of £1 each, of which 4,500 voting "A" Ordinary Shares and 85,000 non-voting "B" Ordinary Shares had been issued and were fully paid up. By or pursuant to resolutions passed at an Extraordinary General Meeting of the Company on 21st June, 1979:—

(a) The authorised share capital of the Company was increased to \$500,000 by the creation of an additional 405,000 voting "A" Ordinary Shares of £1 each;

(b) to compensate the holders of the voting "A" Ordinary Shares for the dilution of their voting rights, pursuant to paragraph (c) below, 9.000 new voting "A" Ordinary Shares of £1 each credited as fully paid were issued to those shareholders in proportion to their immediately preceding holdings of the voting "A" Ordinary Shares by the capitalisation of £9,000 standing to the credit of the Company's

voting "A" Ordinary Shares by the capitalisation of £9.000 standing to the credit of the Company's profit and foss account:

(c) the special rights attached respectively to the voting "A" Ordinary Shares and non-voting "B" Ordinary Shares were concelled to the intent that all such shares were thenceforth consolidated into and designated as Ordinary Shares of £1 each ranking pari passu in all respects; and

(d) the share capital of the Company was sub-divided into 5,000,000 Ordinary Shares of 10p each ranking pari passu in all respects.

(ii) On 25th June, 1979, 25,996 Ordinary Shares of 10p each in the Company each credited as fully paid were issued pursuant to the contract to acquire Oundle Manna Limited ("Oundle") referred to in paragraph 6(vi) below.

(iv) By or pursuant to resolutions passed at an Extraordinary General Meeting of the Company on 26th June, 1979:—

(a) \$248,900.40 being part of the sum standing to the credit of the Companys profit and loss account was capitalised and applied in paying up in full 2,489,004 Ordinary Shares of 10p each, which were allosted credited as fully paid to the shareholders in proportion to their holdings; and (b) the Memorandum of Association was amended, new Articles of Association were adopted and the Company became a public company.

Save as disclosed herein:—

By use control of the Company or of any of its subsidiaries has been issued within the two years immediately preceding the date of this document or is now proposed to be issued, fully or partly paid either for cash or for a consideration other than cash:

no commissions, discounts, brokerages or other special terms have been granted by the Company or by any of its subsidiaries within the said two years in connection with the issue or sale of any share or loan capital of such companies; and no share or loan capital of the Company or of any of its subsidiaries is under option or agreed conditionally or unconditionally to be put under option.

(vi) No material issue of shares of the Company (other than to shareholders pro rate to their existing shareholdings) will be made within one year of the date of this document without prior approval of

(vii) No issue of shares which would effectively after the control of the Company will be made without prior approval of the Company in general meeting.

2. SUBSIDIARIES

The Company has the following subsidiaries, both of which are wholly-owned companies incorporated in Date of incorporation Issued share capital Oundle Marina Limited 24th June, 1974 500 Kelly Line Limited ("Kelly") 30th January, 1974

The new Articles of Association of the Company, referred to above, contain provisions, inter alie, to the

Votes of Members

Votes of Members

Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with the Articles, on a show of hands every member, who, being an individual is present in person or being a corporation is present by a duly authorised representative, shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every Ordinary Share of which he is the holder. No member shall be entitled to vote or exercise any right conferred by membership in relation to meetings of the Company if he or any person appearing to be interested in Ordinary Shares registered in his name is an default in supplying to the Company within 42 days, the information required by a valid notice served under Section 27 of the Companies Act 1976.

Variation of Rights

The rights and privileges for the time being attached to any class of shares forming part of the issued share capital for the time being of the Company may be varied or taken away with the consent in writing of the holders of three-fourths in number of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of the Company's Articles of Association as to General Meetings shall mutate mutated is apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question, that any holder of shares of the class present in person or by proxy may demand a poll, that the holders of shares of the class held by them respectively and that if at any adjourned meeting of such holders a quorum as above defined is not present in person or by proxy, those of such holders who are present shall be a quorum.

Directors

Save as provided below, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

A Director shall (in the absence of some other malernal interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely: (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries; (b) the giving of any security or indemnity to have not a guarantee or indemnity or by the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof; (d) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsever, but is not the holder of or beneficially interested in one per cent, or more of the issued shares of any class of such company or of any third company through which his interest is derived; and (e) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Bo

under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for travation purposes.

Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately, and in such case each of the Directors concerned (if not debarred from voting under the immediately preceding paragraph) shall be entitled to vote (and be counted in the quorum) in respect of each resolving except that concerning his own appointment.

If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntary agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Directors shall be final and conclusive except in a case where the nature or extent of the interests of the Director who by request devotes the whole of his time to the Company's affairs or performs special services or goes or resides abroad for any purposes of the Company may receive such remuneration by way of salary, commission, bonus, participation in profits or otherwise or partly in every and partly in another, as the Directors may determine.

salary, commission, bonus, pa the Directors may determine.

salary, commission, bonus, participation in profits or otherwise of party in one way and party in another, as the Directors may also be paid all expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company.

The Directors may establish and maintain any pension, insurance, or superannuation funds or schemes and shall have the power to give or procure the giving of donations grafuities, pensions or similar payments to any persons, including Directors and former Directors who hold or have held at any time any employment or office in the Company or any of its subsidiaries or associated companies and the wives, widows, widowers, families and dependants of any such Directors and former Directors.

Directors are not obliged to hold any qualification shares.

No Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of 70 or any other age, and any Director retiring or liable to retire under the provisions of these articles and any person proposed to be appointed a Director shall be capable of being appointed or re-appointed as a Director notwithstanding that he has attained the age of 70 and on special notice need be given of any resolution for the appointment or re-appointment as a Director of a person who shall have attained the age of 70, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be appointed or re-appointment as a Director of the age of any Director or person proposed to be appointed or re-appointment as a Director of the age of any Director or person proposed to be appointed or re-appointment as a Director of the age of any Director or person proposed to be appointed or re-appointment as a Director of a person who shall have attained the age of 70.

Borrowing Powers

The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies for the time being so as to ensure (as regards subsidiary companies so far as by such exercise they can ensure) that the aggregate principal amount for the time being remaining undischarged of all moneys borrowed by the Group (exclusive of intra-Group borrowings) shall not at any time without the prior sanction of an Ordinary Resolution of the Company exceed one and a half times the aggregate of the amount paid up or credited as paid up on the issued share capital of the Company and the amounts standing to the credit of the consolidated capital and revenue reserves of the Company and its subsidiaries (including share premium account, capital redemption reserve fund and profit and loss account) all as shown by the latest audited consolidated belance sheet of the Company and its subsidiaries. For these purposes, "the Group" means the Company and its subsidiaries. The senction of an Ordinary Resolution of the Company is not required for borrowings which exceed this limit and which are intended to be applied (and are so applied within six months) in the repayment (with or without premium) of previous borrowings.

#### 4. DIRECTORS' AND OTHER INTERESTS

(i) The beneficial interests of the Directors in the Ordinary Share capital of the Company immediately following the completion of the placing as they will appear in the Register maintained under the provisions of the Companies Act 1967 will be as follows:—

Oirector S.T.Newington J.T.Newington B.A.Newington Ordinary Shares of 1 Op each 901,437 156,691 85,151 D.R.Proctor J.F.Sharman

Following the completion of the placing, S. T. Newington and B. A. Newington, being the trustees of a settlement created by Mr. J. T. Newington, will hold 1,211.676 Ordinary Shares of 10p each representing approximately 34.6 per cent. of the issued Ordinary Share capital of the Company. Save as aforesaid, no Director has any non-beneficial interest in the Ordinary Share capital of the Company.

Apart from the holdings set out above, the Directors are not aware of any charcholding which will, following completion of the placing, represent 5 per cent, or more of the issued Ordinary Share capital of the Company-

(ii) On 26th June, 1979, Mr. S. T. Nowington entered into a full-time service agreement with the Company On 26th June, 1979, Mr. S. I. Newington entered into a full-time service agreement with the Company for a term expiring on 12 months' prior notice at 25th June, 1984 or at the expiry of any subsequent calendar month. Under these arrangements Mr. S. T. Newington receives a salary of 255,000 per amount together with a commission of 2 per cent, of the amount of the net profits of the Company and its subsidiaries in excess of £500,000 in the financial year. No other Director has an existing service

subsidiaries in excess of £500,000 in the financial year. No other pirector has an examing service contract and none is processed.

(iii) The aggregate emoluments of the Directors of the Company, including pension contributions, amounted to £64,075 for the year ended 30th September, 1978, and under the arrangements now inflored for the current year, are estimated to be £72,243.

(iv) Mr. D. R. Proctor is a partner in Revitionno & Co., colicitors to the Company and its subsidiaries ("the Group"), who will receive a fee for professional work undertaken in respect of the placing.

(v) Save as disclosed herein, no Director of the Company has or has had, within two years before the date hereof, any interest in any assets which have been, or which are proposed to be, acquired, or disposed of by, or lessed to the Company or any of its subsidiaries, and no contract or arrangement subsists in which a Director of the Company is materially interested and which is significant in relation to the bitaness of the Group, taken as a whole.

#### 5. CONTRACT WITH BARCLAYS MERCHANT BANK LIMITED

Under the contract referred to in paragraph 6(vii) below. Barclays Merchant Bank, Limited has agreed, subject to the whole of the issued Ordinary Share capital of the Company being admitted to the Official Let by the Council of The Stock Exchange not later than 6th July, 1979, to purchase or to precure purchisers for a total of 1,225,000 Ordinary Shares of 100 each in the Company at 80p per Ordinary Share trem Mr. J. T. Newington and Mr. S. T. Newington (the Vendors"), being 35 per cent of the reced Ordinary Share capital. The contract provides, inter aio, that the Company will pay the expenses of and unidental to the application for the issued Ordinary Share capital to be admitted to the Ortical List (including the costs of printing, advertising this document and all accountancy, valuation and legal expenses) and a few to Barclays Merchant Bank Limited out of which it will pay a fee to Hedderwick Stirling Grumbar & Co., the brokess.

#### 6. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of butiness) have been entered into we years immediately preceding the date bareet and are or may be material—
Contract dated 15th August, 1978, between Vera Constance Fisk (1) and the Company (2) whereby the Company agreed to purchase the freehold of 26A Ennomore Gardins Mews, Landen SW7 for £87,500.

for £87,500.

Agreement dated 20th September, 1978, between Lawrence Michael Stephenson, Jenuer Shalev Horsfall Stephenson, Michael Graham Stephenson and David Malcolm Stephenson (1) and Kelly (2) relating to the purchase of the frechold premises occupied by Kelly at Godmanchester, Cambridgeshire for £28,000.

Camerogeshire for tess.000. Agreement of the English September, 1978, between Gordon Bryce and Terener John Kully (1) and the Company (2) whereby the Company agreed to acquire the whole of the engled share capital of Kelly (or £19,221.54.

of Kelly for \$19,221,54.

Deed dated 29th September, 1978, between Gordon Bryce and Toronce John Kelly (1) and the
Company (2) and Kelly (3) containing indemnities in layour of the Company and kelly against any

in the value of the assets of Kelly by reason of capital gains has, corporation has and

other taxes.

Contract dated 20th April, 1979, between the Company (1) and Carnuel Tempset Newington and Briony Anna Newington (2) whereby the latter agreed to purchase from the former the treehold of 26A Enasmore Gardens Mews. London SW (1 or 692 Co.).

Agreement dated 21st June, 1979, between Sameel Tempsett Newington (1) and the Company (2) whereby the Company agreed to acquare the whole of the assect phase capital of Quality of the Company.

(vii) Agreement dated 26th June, 1979, between John Tompsett Newington and Samuel Tompsett Newington (1) Samuel Tompsett Newington, John Tompsett Newington, Briony Anna Meromation, John Frederick Sharman and David Rahmond Proctor (2) the Company (Q) and Barthay Alberthant Bank Limited (4) being the contract with Barcleys Merchant Bank Limited referred to in paragraphs

5 above.
 (vii) Deed of Indemnity dated 26th June, 1979, between John Temprett Newmitten and Samuel Tempsett Newington (1) the Company (2) and Burclays Merchant Bunk Lunded (1) containing indemnities in favour of the Company and Barclays Merchant Bunk Lunded around any demonstration in the value of the assets of the Group as a result of certain basilities.
 (ix) Agreement dated 26th June , 1979, between the Company (1) and Samuel Tempsett Newmyten (2) being the service agreement referred to in paragraph 4 (a) above.

#### 7. PROFIT FORECAST ASSUMPTIONS AND LETTERS

**Bases and Assumptions**The profit forecast for the year ending 30th September, 1979 is based on the auditor consolidated accounts of the Group for the 6 months ended 31st March, 1979 and on the following principal accomptions.—

Production/Sales That production against firm orders will be not less than £2.77 million at not selling prices in the aix months ending 30th September, 1979.

Continuity of Production

That there will be no significant disruption of production caused by industrial disputes either at the

That there will be no changes in government legislation, either in the U.K. or in the Company's

principal export markets, which will adversely affect the trade of the Company That the gross margin, before employees' profit thare, for the six months ending 30th September, 1979 will not be less than that achieved in the year ended 30th September, 1978.

(v) That the effective overall corporation tax rate payable by the Company for the year ending 30th September, 1979 will be approximately 35 per cent.

The following are copies of letters which have been addressed to the Directors of the Company relating to the profit forecast for the year ending 30th September, 1979.—

(i) Letter from the joint reporting accountants Hodgson, Harris & Co. and Binder Hamlyn:—

Hodgson Harris & Co. Welland House. High Street. Spalden. Lincolnshire PE11 1UB

Binder Hamiya

The Directors

We have reviewed the accounting bases and calculations for the profit forecast of Fairline Boats Limited ("the Company") and its subsidiaries ("the Group") for the year ending 30th September, 1979, as set out in the document to be dated 26th June, 1979 and issued in connection with the placing of 1,225,000 Ordinary

Shares in the Company, for which profit forecast the Directors are solely responsible.

The profit forecast takes account of the audited interim results for the half-year ended 31st March, 1979, as set out in the document and, in our opinion, so far as the accounting bases and calculations are concerned, has been properly compiled on the footing of the assumptions made by the Directors set out in the document, and is presented on a basis consistent with the accounting practices normally adopted by the Group.

Yours faithfully. Binder Hamlyn

Yours faithfully, Hodgson, Harris & Co. Chartered Accountants (ii) Letter from Barclays Merchant Bank Limited:—

Charterest Accountants

The Directors, Fairline Boats Limited.

Dashwood House, 69 Old Broad Street

We refer to the profit forecast for the year ending 30th September, 1979 set out in the Chairman's letter included in the document to be dated 26th June, 1979 and issued in connection with the placing of 1,225,000 Ordinary Shares of 10p each in the Company, for which profit forecast the Directors are solely

responsible.

We have discussed with yourselves and Hodgson, Harris & Co. and Binder Hamlyn the bases and assumptions on which the profit forecast was made. We have considered the letter dated 26th June, 1979, addressed to you from Hodgson, Harris & Co. and Binder Hamlyn regarding the accounting bases and addressed to grow a straightfore adorted in arriving at the profit forecast. calculations adopted in arriving at the profit forecast.

On the basis of the above, we consider that the profit forecast has been made by you after due and

Yours faithfully, for BARCLAYS MERCHANT BANK LIMITED Colin P. Astin.

#### 8. TAXATION

The Directors have been advised that following the completion of this placing it is expected that the Company will not be a close company within the meaning of the Income and Corporation Taxes Act 1970. Clearances under Schedule 16, Finance Act 1972 have been obtained for the Group in respect of appropriate periods up to and including the year ended 30th September, 1978. Clearances under Section 464 of the Income and Corporation Taxes Act 1970 and under Section 88 of the Capital Gains Tax Act 1979 have been obtained in respect of the Company's acquisition of Oundle and under Section 464 of the Income and Corporation Taxes Act 1970 in respect of this placing.

By the Deed of Indemnity referred to in paragraph 6(viii) above, the Vendors have given indemnities to the Company and Barclays Merchant Bank Limited in respect of any diminution in value of the assets of the Group by reason of estate duty, capital transfer tax and other taxation.

#### 9. GENERAL INFORMATION

So far as the Directors of the Company are aware, there is no material litigation or any claim of

So far as the Directors of the Company are aware, there is no material litigation or any claim of material importance pending or threatened against the Company or any of its subsidiaries. The Company has insured the life of Mr. S. T. Newington for the sum of £500,000 for a period of 3 years with Phoenix Assurance Company Limited.

The total expenses payable in respect of this placing and application for a Stock Exchange listing are estimated to be £130,000 exclusive of value added tax and are payable by the Company. Barclays Merchant Bank Limited has given and has not withdrawn fis written consent to the above of this document with the inclusion therein of its letter on the profit forecast and as name and the references thereto in the form and context in which they appear respectively. Hodgson, Harris & Co. and Binder Hamlyn have given and not withdrawn their respective written consents to the issue of this document with the inclusion therein of their joint report, joint letter on the profit forecast and names and the references thereto in the form and context in which they appear respectively.

Hugh G. Smith, F.R.I.C.S., Senior Partner, Wilson & Partners, has given and not withdrawn his written consent to the issue of this document with the inclusion therein of the references to his valuation, his name and the name of his firm in the form and context in which they appear respectively.

(vii) No proceeds in respect of the shares now being placed are to be received by the Company.

(viii) Barclays Merchant Bank Limited (the ultimate holding company of which is Barclays Bank Limited), whose Registered Office is at 54 Lombard Street, London EC3P 3AH, is registered in England and its registered no. is 181866.

(ix) The Company was incorporated on 23rd September, 1968, in England and its registered no. is 939223.

is 939223.

(x) The documents attached to the copies of this document delivered to the Registrar of Companies for registration were the written consents referred to in paragraphs 9(iv), 9(v) and 9(vi) above, the joint statement of Hodgson. Harris & Co. and Binder Hamlyn setting out the adjustments mada in arriving at the figures contained in their joint report and giving the reasons therefor, copies of the contracts referred to in paragraph 6 above, copies of the placing letter and of the fully paid

#### 10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Barclays Merchant Bank Limited. Dashwood House, 69 Old Broad Street, London EC2P 2EE and Roythorne & Co., 10 Pinchbeck Road, Spelding, Lincolnshire PE11 1PZ during usual business hours on weekdays (Saturdays and public holidays excepted) for a period of fourteen days from the date of this document:—

(i) The Memorandum and Articles of Association of the Company:

(ii) the audited consolidated accounts of the Company and the audited accounts of the Company and Oundle for the two years ended 30th September, 1978 or 31st October, 1978, as appropriate, the sudited accounts of Kelly for the year ended 30th September, 1978, and the audited consolidated accounts of the Company and the audited accounts of the Company and the audited accounts of the relevant periods ended 31st March, 1979;

(iii) the joint accountants' report and statement of adjustments;

(iv) the material contracts referred to in paragraph 6 above;

(vi) the written consents of Barclays Merchant Bank Limited, Hodgson, Harris & Co., Binder Hamlyn and Hugh G. Smith, F.R.I.C.S.;

(vii) the letters relating to the profit forecast set out in paragraph 7 above.

Copies of this document may be obtained from:--Barcleys Merchant Bank Limited

Dashwood House. 69 Old Broad Street, London EC2P 2EE

Hedderwick Stirling Grumber & Co. 1 Moorgate. London EC2R 6AA Barclays Bank Limited 10 Hall Place, Spalding, Lincolnshure PE11 1SR.

Roythorne & Co. 10 Pinchbeck Road, Spalding. Lincolnshire PE11 1PZ.

# Early Wall St. responds to OPEC hopes

\$2.60 to £1-34% (341%) Effective \$2.1520 101% (111%) A SLIGHTLY FIRMER tendency prevailed on Wall Street yester- tions. day, reflecting hones that the oil price increase decided by OPEC Oil Ministers will not be as large as previously feared. offer will not be made.

But best S.E. levels were not Active Greybound always held.

After rising 2.08 to 846.33, the

Closing prices and market reports were not available for this edition.

it unchanged on the day, while the NYSE All Common Index was up 15 cents to \$58.05, after touching \$58.12. Rises led falls by a seven-to-five majority, while the trading volume was little the trading volume was little thanged at \$22.51m (22.44m) shares. reacted to 844.25 by 1 pm, leaving on dollar strength.

The Stock Market also drew on turnover of 2.74m (2.37m) some strength from gains by the shares. dollar following comments by Volume leader General Treasury Secretary Blumenthal Exploration moved up \$2 to \$95.

NEW YORK

Abbott Labs .. ... AM international Adobe Oil & Gas.,

C'm with Edison . 23

Consel Foods 22.5 Consol Nat. Gas 401. Consumer Power 22.5 Continental Grup 28.5 Continental Oil 8714 Continental Tele 16:5

F.125 F.130 570

TOTAL VOLUME IN CONTRACTS C :Call

details were not spelled out. Analysts said the 1.1 per cent May increase in Consumer Prices was on the high side of expecta-

Chesapeake Corp. of Virginia moved up 82 to 8494, although it believes an expected merger

Active Greyhound picked up \$1 to \$15,—the gasoline short-age has boosted its passenger Dow Jones Industrial Average traffic more than 100 per cent on some routes, the Interstate bus operator said.

Gaming shares firmed after recent weakness, but Golds slipped a hit as hullion prices eased

Data General slipped 82 to Reports from Geneva indicated
Saudi Arabia may press for a
much lower price than sought
by many of the other members.

Data Geneval support

\$73), even though its fiscal third
quarter profit rose.

THE AMERICAN SE Market
Value Index gained 0.57 to 200.30

that there is a concensus among the seven nations attending the Tokyo Summit to put ceilings on oil imports, backed up with Acero \$1! to \$23; and Resorts \$325.

741; 201; 391; 481; 191; 201; 141; 221; 131;

**EUROPEAN OPTIONS EXCHANGE** 

47 1,50 20 0.40

F.29

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625 Fr.4875

375 3.60 F.24.40 1.90

14 9 5.50

5.40

4.30

F.339 F.146,40

F 125

5621

SGII - \$4112 - \$2512

5.70 2.40

321: 133: 28: 28: 215: 32: 16: 24: 25: 48: 48: 42: 42: 42: 42:

Warner-Lambert 24
Waste-Man'ment 32 to
Wells-Fargo 28
Western Bancorp 2938
Western N-Amer 59

BASE LENDING RATES

A.S.N. Bank 14 % Hambros Bank 14 % Hill Samuel 514 % Hill Samuel 514 % Hill Samuel 514 % Ambros Bank 14 % Hill Samuel 514 % Ambros Bank 14 % Hill Samuel 514 % Julian S. Hodge 15 % Hongkong & Shanghai 14 % Henry Ansbacher 14 % Hongkong & Shanghai 14 % Keyser Ullmann 14 % Keyser Ullmann 14 % Keyser Ullmann 14 % Keyser Ullmann 14 % Kowsley & Co. Ltd. 151% Lloyds Bank 14 % London Mercantile 14 % London Mercantile 14 % Edward Manson & Co. 15 % Midland Bank 14 % Samuel Montagu 14 % Samuel Montagu 14 % Samuel Montagu 14 % Morgan Grenfell 14 %

Charterhouse Japhet. 14 %
Choulartons 14 %
Choulartons 14 %
C. E. Coates 14 %
Consolidated Credits 14 %
Co-operative Bank 14 %
Corinihan Secs. 14 %
Corinihan Secs. 14 %
Credit Lyonnais 14 %
The Cyprus Popular Bk. 14 %
Duncan Lawrie 14 %
English Transcont 14 %
English Transcont 14 %
First Nat. Fin. Corp. 14 %
Antony Gibbs 14 %
Greyhound Guaranty 14 %
Greyhound Guaranty 14 %
Greyhound Guaranty 14 %
Grindlays Bank 14 %
Grindlays Bank 14 %
Guinness Mahon 14 %
Guinness Saving Charles Guinness Guinness Guin

Walts-Fargo ...
Wastern Bancorp
Western N.Amer.
Wastern Union .
Wastern Union ...
White Con. ind ...

Bardue du Rione et de la Tamise S.A. ..... 144% Barclays Bank ...... 14 % Bremar Holdings Ltd. 15 % Brit. Bank of Mid. East 14 %

Brown Shipley ...... 14 or

Canada Perm't Trust... 14 % Canzer Ltd. ...... 14 % Codar Holdings ...... 14 %

Charterhouse Japhet... 14 %

Control Data 40 in 40 in Cooper Indus .... 56 in 55 in Corning Glass ... 58 in 69 in CPC int matter! 51 in 51 in Crane Co....... 29 in 29 in Crown Zellers in 36 in 36 in Crane Co... 29 in 36 in 36 in 36 in Crane Zellers in 36 in 36 in 36 in Crane Zellers in 36 in 36 in 36 in 36 in Crane Zellers in 36 in 3

Stock

Computer Investors Group were lifted \$\frac{1}{2}\$ to \$4 on a profit for the March 31 fiscal year, up

from a loss a year before.

Active Colonial Commercial tumbled \$21 to \$181-it is considering a rights offering of shares of a subsidiary.

#### Canada

Markets were higher in fairly active noon trading yesterday, when the Toronto Composite Index rose 3.2 to 1606.2.

The Metals and Minerals Index gained 3.7 to 1369.7, Oil and Gas 2.5 to 2840.7, Utilities 1.75 to 236.58, Banks 1.57 to 305.72 and Papers 1.23 to 171.46. Only Golds, down 16.5 to 1891.3, moved

Among Oils, Numae Oil rose \$1\frac{1}{2}\$ to \$39\frac{1}{2}\$. Amalgamated Bonanza \$\frac{1}{2}\$ to \$19\frac{1}{2}\$. Canadian Superior \$1\$ to \$146 and \$hell Canada \$1 to \$201.
On a lower London gold fix,
Dome Mines shed \$11 to \$451,
while Camflo Mines at \$151 and Dickenson Mines at SS; each

BP Canada where up \$1 to \$281 on a raised rividend. Trans - Canada Resources firmed 5 cents to \$3.05 on higher

earings.

Stock

Royal Dutch. .... 725g RTE .... 105;

while Bank of Montreal firmed \$1 to \$23; on a raised dividend.

#### Germany

Share prices continued firmer in nearly all sectors, with lead-ing issues gaining ground in a

moderate turnover.

Motors responded to strong foreign interest. Dainler were marked up DM 5.50 and VW DM 3.70. But BMW lost DM 1.50 against the general trend. Banks put on up to DM 1.50.

In Stores Karstadt gained another DM 2.50, Preussag were up DM 1.70 in Engineerings, while leading Chemicals showed only minor changes. On the Domestic Bond Market the optimistic mood strengthened and Public Authority issues gained up to 25 pfennigs, despite Bundesbank sales of DM 77.3m

7014 11 1014

Paris The market was narrowly mixed in uncertain trading ahead of decisions on oil pricing by the OPEC meeting. There was no clear market reaction to news of a 1.1 per cent rise in French Retail Prices in May, the highest Canadian Pacifica gained \$1 to monthly increase for 11 months. 32:. Department Stores, Motors.

CANADA

Among rising Paper issues, Domtar added \$1 at \$231. Chemicals, and Oils were lower, while all other sectors were on higher demand.

Royal Bank were up \$1 to \$415. mixed, except for Construction Equipments which were firm. Poclain advanced FFr 10.7 to

> Among Foreign Stocks, Americans were steady, Germans, Dutch and Oils firm, while Gold Mines were easier.

#### Brussels

Belgian share prices were Bonds mostly lower in very quiet trading. trading.

In Foreign stocks. Germans and Canadians were higher. U.S. and UK little changed. French lower and Dutch mixed. Gold Mines also were lower.

#### Amsterdam

Share prices closed mostly higher, with Royal Dutch gaining Fis 2.90 to 148.70, its highest level of the year. Hoogovens held unchanged in otherwise stocks, with Central Pacific rising

held unchanged in otherwise firmer Internationals.
Shippings were higher with KNSM. Nedlloyd and van Ommeren putting on up to Fl 2.50. Robeco gained Fls 1 and Ahold Fl 15. But Algemene Bank Nederland, Deli and Pakhoed each lost around one woulder. Ampol Petroleum put on 3 cents to 63 cents, Weeks Petroleum 20 cents to 2.85 and Coal and Allied 36 cents to 6.86.

guilder.
State Loans were little

#### Switzerland

Prices moved slightly higher in

"Heavyweights" were up to
75 cents lower, and losses elsencreased Settlements Day turnover supported by the recovery of the U.S. dollar. Swissair rose SwFr 4, while Financials were actively firmer led by Holderbank, Moevenpick. Oerlikon-Buehrle and Elektro-

walt. Insurances were mixed. Leading Industrials were generally

higher.
Utilities continued higher on renewed support. KW Laufenburg recouped part of its coupon cession. CKW and Atel also

higher in moderate trading, after late profit-taking and liquidations pared early gains. Volume 260m

Stocks closed lower in quiet

trading. Fiat, Snia Viscosa, Pirelli

Bastogi, Assicurazioni Generali and Olivetti all weakened in a

market affected by political uncertainty and the possible rise in the price of petrol.

Golds were easier in line with the bullion price. The market was also hesitant ahead of the outcome of the OPEC meeting.

where ranged to 25 cents.
Mining Financials were little
changed, Platinums were 5 to 40
cents off. Antimony share Con-

solidated Murchison rose 10 cents

Industrials were harder in

Share prices closed slightly

Johannesburg

slack trading.

Tokyo

Australia

Bonds were off in very quiet

June 26	Price Frs.	+_or	Frs. Net	Yld.	l
Arbed,	2,620	_36		=	l
Bekaert 'B"		-1		5,2	ı
C.B.R. Cement	1,140 m	-16	100	8.7	ı
Cockerill	500	2	_	. —	ì
EBES	2,185		177	8.1	ı
Electrobel	6,850	-30	455	6.6	ı
Fabrique Nat	ਠੋ.695ਕ	·	250	6.8	ı
G.B. Inno Bm	2.585			6.6	ı
Gevaert	1,214		85	7.0	ı
GBL (Brux L)		-5	90	5.4	į
Hoboken	2,860	170	170	5.9	ł
Intercom	1.675	'-5	142	8.4	ı
Kredietbank	6.900	+ 140	330 i	4.8	ı
La Royale Beige:					i
Pan Holdings		- 155			
Petrofina		+10		3.8	ı
Soc Gen Banque	3.205	-10 :	220	6,8	ł
Soc. Gen. Beige		_5 ·	140	6.9	ı
Sofina		-40	225	6.5	l
Solvay		-20	A 2. 10		
Traction Elect.			185	6.2	
UCB		<b>-40</b> ;	:		
Un Min. (1.10)'		22	40	4.7	
Visite M'ntagne	1.795	+45	_		

#### SWITZERLAND ø

30 ne 26	Frs.	<u></u>	<u> </u>	Ä
uminium		·	. 8	3.3
IC 'A'	1.750⊯		10	2,8
bæGelgyFr100	1,240	+ <b>5</b>	22	1.8
o. Part Cert	: 995	÷10	22	2.2
o, Reg	687	-2	22	3,2
edit Suisse	2.180			3.6
ectrowatt	2.000	-30		2.5
cher(Georg) IfmanPtGert.	715	l. <b>.,</b> ,		3.5
ifmanPtGert.	74.000		1108	1.5
Do. (Smal)	7,375		110	1.5
terfood B	4,425	÷50	21 :	2.3
imoli (Fr. 100)	1.435	-10	21	1.5
stie (Fr. 100)				2.3
Do. Reg			×81.5	3.6
rlikon B:F250			15	1.5
relli(F100)	276.5	-0.5	15	5.1
ndoz (F.250).		- 25	26	1,5
Do. Part Certs		+4	25	2.4
hind'rCtF100			12	3.9
Izer CtiF.100		÷5	14	3.7
rispair (F.350)		÷4 .	10	4.4
.Bk.CpiFIDD	382	÷2	iŏ	2,6
.Reins.(F250)		-50	40	1.9
ion Bank		+ 25	20	8.2
rich ins	12.975		44	1.7
	,,,		•••	+

	Andelsbanken 13912 -14 f12 7.9 Danske Bank 12012 12 10.0 East Asiatic Co. 121 +1 10 8.2 Finansbanken 16012 -14 16 10.0 Bryggerer 300 12 4.0 For Papir 108 Handelsbank 12012 12 9.2 G Nthn H (Kr90) 312 -1 12 5.4 Nord Kabel 173 12 7.0	Do. Part Certs 550 +4 25 2.4 Schind CtF100 310s 12 3.9 Sulzer Ctf. 1001 347 +5 14 3.7 Swissair (F.350) 805 +4 10 4.4 Sw. Bk. CptF1001 382 +2 10 2.6 Sw. Rains. F250 5.250 -50 40 1.9 Union Bank 3.160 +25 20 3.2 Zurich Ins. 12,975 +175 44 1.7
	Novolná stries B: 208 ÷ 12 1.0 4.8 Ollefabrik 13212 6 6 Privatbank 13514 - 14 15 9.9 Provinsbank 13512 - 12 12 8.8 Soph.Beransen, 306-sc + 1-2 12 3.0 Superios 111 + 1 12 8.1	MILAN
	VIENNA	ANIC
ŀ	June 26 % - 3 %	Italcementi, 17.950 — 250 690 3.3   Italsider 385 — 15 —   Mediobanco 37.950 — 550 1.280 3.2
	Creditanstait 336	Montedison

Juna 26

Turnover: Cr.114.7m. Volume 76 Source: Rro de Janeiro SE.

#### Indices

NEW YORK -DOW JONES

		1	1 4		i	June		79	Since Co	amplit'
·	25 25	June 20	19	18	15	3une 31	High	Low	High	Low
e industr'is H'me E'nds Transport Utilities Trading voi 000'st	85.35 240.85 105.11	253,48 105,38	85,26 249.11 195,58	85.56 259.75 105.66	85.51 240.88 105.28	85.49 248.02 105.31	(10/4) 85.50 (2/2) 246.67 (12/8) 106.75 (15/8)	867.84 (27/2) 82.92 (8/5) 205.74 (27/2) 86.5) (15/5)	1851.78 (11/1/73) 279.48 (7/2/69) 166.32 (20/4/69)	12,28 12,28 (8/1/32 10,58

• Day's high 850,83 low 839,66

	<u> </u>		2 /	
المأملية منام المراد	June 22	June 15	June B	iYear ego (app
Ind, div. yield %	5.97	8.01	6.07	5,68
THE PROPERTY OF				

Ausuana									صف	صفح	_
Industrials firmed, while Minings turned slightly easier in	STANDARD AN	ND PC	OORS								
uncertain trading ahead of the OPEC meeting and local factors.				luma	June		June	197	9.	SinceC	mpilt
such as the end of the Financial   Year and today's National Wage	1	<b>2</b> 5 j	22	21	20	19	18	High	Low	High	Low
case decision.	!Indust'ls! 1	13.23	115.94	115.30	112.75	T12,70	112,88	116.69	107,0	184,64	1,51
BHP gained 8 cents to \$A8.84 and CSR 4 cents to 3.23.	(Composite 10	02.08¦	102.64	102.03	70 1. <del>8</del> 8	101,58	701.58	(3/1) 103,84 (10/4)	26, 15	(11/1/75) 125,85 (11/1/6)	( 4,400
Interest centred on Resources stocks, with Central Pacific rising 50 cents to 13.50 and Mageilan				l: Jui	ne 20 -	June	13	Tune 6	Y	ar ago (:	ippro:
	Ind. div. yleid 🕏	5		5	.30	5.2	4	5.28	-¦-	5.0	7
Ampol Petroleum put on 3	Ind. P/E Ratio			7	.91	7.9	8	7.92	-¦	9.1	

Ind. div. yleld 📽	5.30	5.24	5.28	5.07
ind. P/E Ratio	7.91	7.98	7.92	9.11
Lon Gov. Bond Yield	8.87	8.81	8.95	8.52
N.Y.S.E. ALL COMMON			Rises an	d Falls 25 June22 Jun
June June June June	1979			<u>-</u>
25 22 21 20 · I	ligh i Low	- Issues T	raded . 1,891	1,894 I,89

57.90 58.21 57.81 57.65		53.8 (27)	8 U	nchano	ed 1004	583 567 415 453 — 62
MONTREAL	June	June	luma	Juna	1	979
	25	22	21	20	High	. Low
Industrial Combined	=	275,42 271,42	272.60 269.04	269.79 265.67	275.42 (22/5) 271.42 (32/6)	279-18 (2/1) 225,80 (2/1)
TORONTO Composite	1605.0	1604.0	1594.9	1582.2	1804.0 (22/6)	1815,8 (2/1)
JOHANNESBURG	i —	ř i	—	<del>- 1</del>		<u> </u>

	Gol	d ustrial				288.1, '288.1, 50 288.4, 286.4, 3			228.4 {* 278.6* (\$	
	:	June 26	Pre- vious	1979 High	1979 Low		June 26		1979 High	
istralia	(%)	571.49	569.78	697.68 (19/3)	645.72 (2/1)	Spain (d)		(e)	111-96 (8/8)	93.03
dgium	(2)	105.61	105.88	108.09	98.80	Sweden (c)	549.53	558.88	401.54 (6/2)	
nmark	٠.	94.25		97.22 (106)	(1/8)	Switzerld(/)	108.5	507.8	329.1 (2/5)	294.0 (3/1)
ance .	(††)	66.5 <sub>.  </sub>	89.8	88.8· (25/6)	71.5	Dec. 1953.		! !		
rmany	(# <b>;</b> )	742.78	741.0		719.4	1970. 11 I	Hang S	iang, B	ank 31	/7/G
lland	(35)	73.8	72.8		71.3 (7/6)	a Tokyo Ne Times 1968.	rw SE	4/1/6	8. b	Streit
ng Kor	1g_	686.37	531.61		493.83	29/12/78. a S				

f Swiss Bank Corporation. u Unavai able. MONDAY'S ACTIVE STOCKS

Chrysler ...... Caesars Wd. Bally Mig. ... Amerada Hs. Ocoidental P.

20 Tran P Belgia En SE 1 Commer	an SE /1/73.	Charter Wts. Travelera	407,600 324,600 291,800 288,700	36 <sup>2</sup> 26 38 <sup>3</sup> 73 <sup>7</sup>		+ + +			,
		STOCKHOLM							
Aust. \$	F or	June 26	Price Kronor		Div. Kr.				
	] - [	AGA AB (Kr. 40), Alfa Laval/Kr.50			6	š			
10.67	Ī	ASEA(Kr.50)	65.5.	i	5 1				
10.95	}	Atlas Cop. Kr25,	71.5.		5.8	8			
12.30	1 ==== 1	Billerud	55.0		= 1	-			
<b>†1.30</b>	-0.1D		110		5	4			
†0.63		Cardo		]	11	4			
†1.66		Cellulosa							
. †1.80	******	Elec Tux B (Kr59							
10.26		Ericason 5 (Kr50	1201		0.3	- 4-			•
11.86	+D.01		187	–ā	5,5	3.,	HHOD		
11.66	1-0.02		105		4.	5	* H - / .	1 3	¥
+0.72	-0.02			++ ;					•
	·!-0.01				18.5				
†1.0	+8.04					5			
†2.13	-0.05	Me Och Domsle			2.50				
†1.88 †1.70	-8.UZ	Sandvik B Kriss	2082					•	i
18.84	מת חבי	S.K.F. 'B' Kr.50 Skand Enskilda	84.0±1 124 .	+0.5			-		
†1.54	-8.02	Tandstik B(Kr50	51.0		5	ă	_		
11.84		Uddeholm			_"	٠ <u>.</u>	<b>-</b> '	•	
11.04	10.02	Volve (Kr 50).	69.0d	-1.5	7	9			

1		<del>-</del>		-	_
2	OSLO				
	June 26	Price Kroner	+or	Div.	ľ
	Bergen Bank Borregaard Creditbank Kosmos Kreditkassen Norsk HydroKr8 Storebrand	72.5 114.0 500 1141 <sub>2</sub> 473.75	+23.76	6 11 10 11 12 10	4 . 6 4 6
	JOHANNESBU	<del>-</del>	i +1.0	_ 10_	
	June 26 Anglo American East Driefontein Elsburg Harmony		Rand 8.00 15.95 2.20 8.15	<u>:</u>	or 0. 0. 0.

	Lennard Oil	Anglo American Cpn. 8.00	·+0.·
	Metramar Minerals †0.01  -0.00	East Drietontein 15.95	٠ō.
			−ŏ.
	MIM Holdings	l Harmony 9.15	−ō.
	Myer Emporium	Kintoes 715	-ăi
	News 18.95 +0.06	Kinross	-õ.
	News 12.95 +0.05	Buston burn Blot-und 200	-0.
	N. Broken H'dings (50c). +1.68  +0.01	Rustenburg Platinum . 2.80	
_	Oakbridge 71.52 -0.02	St. Helena	-0.
	Oli Search †0.13	Southvael	-ŏ.
2	Otter Exploration . +0 25	0010 FIBIOS SA 40.00	-ō.
7	Otter Exploration †0.85   Pexa Oil †1.22   +0.02	Union Corporation 8.10 De Beers Deferred 8.50	-0.
- 1	Biomany Congresses 41 25	Ue meers Deferred 8.50	. H-D.
	Pioneer Concrete †1.37	Blyvooruitzicht 8.30 East Rand Pty \$10.70	-0.
ŧ	Reckitt & Colman 12.52	East Rand Pty \$10.70	
3	Sleigh (H.C.) 10.62	Free State Geduld 30.25	<b>~</b> 0.⁺
2	9000119110 Winth 10-50	President Brand 21.00	-0.
2	Sparges Exploration 10.30 '	President Brand 21.00 President Steya \$18.50	-0.
•	Thomas Nat. Trans.   1.40   +0.02   Tooths (\$)   11.63   +0.66   +0.66   +0.61   +0.65	Stilfontein 7.40	<b>-о</b> .
٠	Tooths (\$) †1.63	Stilfontein 7.40 Welkom 6.85	−ŏ.,
,	Waltons 10.65 +9.01	i Wast Driafostain 55.75	-ë:\
	Western Mining (50c) †2.16 -0.03	Western Holdings 38.75	
3	Woolworths	Western Deep 18.25	-0.
			-0.
,	1	INDUSTRIALS	
í	PARIS	AEC1 4.50	
	raida .	Abercom 2.20	~0.\
	; Price or   Div. Yid.	Anglo-Amer. Industrial 13.50	
	June 26 Frs.   - Frs. 9	Barlow Rand 5.75	±0.
;		CNA Investments 2.40	÷ŏ'''
•			
	Pente 44 . 1022   112   41- 02	Currie Finance 0.89	
1	Rente 44 1022 +12 412 0.3	Currie Finance 0.89	∔ŏ.
!	Rente 41 1022 + 12 4½ 0.3 Afrique Occ'd't 325.0 - 14.5 24,75 7.9	Currie Finance 0.89 De Beers Industrial †18.00	+0. -0.
,	Rente 4 1022 +12 412 0.3 Afrique Occ'd't 325.0 -14.5 24.75 7.9 Air Liquide 413 +6 16.5 4.0	Currie Finance 0.89 De Beers Industrial †16.00 Edgars Consd. Inv 3.15	∔ŏ.
,	Rente 4 1022 + 12 41 0.3 Afrique Occ dt 825.0 - 14.5 24.75 7.9 Afr Liquide 413 + 6 16.5 4.0 Aguitaine 822 - 13 28.25 3.2	Currie Finance 0.89 De Beers Industrial †18.00 Edgers Consd. Inv 3.15 Edgers Stores 40.00	+0. -0.
	Rente 4 1022 + 12 41 0.3 Afrique Occ d't 325.0 - 14.5 24.75 7.9 Air Liquide	Currie Finance 0.89 Da Beers Industrial	+ö. -ö. -ü.
	Rente 4 1022 + 12 41 0.3 Afrique Occ dt 325.0 - 14.5 24.75 7.9 Afr Liquide 1413 + 6 16.5 4.0 Aquitaine 822 - 13 28.25 3.2 BiC 577 - 3 16.5 2.7 Bouygues 468.6 + 3.9 21 4.6	Currie Finance	+ö. -ö. -ü.
	Rente 4 1022 + 12 41 0.3 Afrique Occ dt 325.0 - 14.5 24.75 7.9 Afr Liquide 413 + 6 16.5 4.0 Aquitaine 822 - 13 29.25 3.3 BIC 577 - 5 16.5 2.7 Bouyges 468.5 + 2.9 21 4.5 B.S.M. Gervals 665 - 1 40.5 6.1	Currie Finance	+0. -0. -0.
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	Rente 4	Currie Finance	+ö. -ö. -ü.
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7	Aquitaine   822   -13   38.25; 3.2	Currie Finance	+ö. -o. -o.
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7	Club Mediter 480 +1 9 2.1 Cr dit C'm.Fr ce 157 +8.9 12.75 8.4	Currie Finance	+ö. -o. -o.
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	Club Mediter 430 +1 9 2.1 Cr'dit C'm.Fr'ce 157 +3.9 12.75 8.4 Creusot Loire 66.5 -0.4	Currie Finance	+0. -0. -0.
7	Club Mediter 480 +1 9 2.1 Crdit C'm.Froe 157 +8.9 12.78 8.4 Creusot Loire 66.5 -0.4 - Dumez 752 +2 33.78 4.6 Fr. Petroles 203.0 -4.9 15 7.4	Currie Finance	+ö. -o. -o.
7	Club Mediter 480 +1 9 2.1 Crdit C'm.Froe 157 +8.9 12.78 8.4 Creusot Loire 66.5 -0.4 - Dumez 752 +2 33.78 4.6 Fr. Petroles 203.0 -4.9 15 7.4	Currie Finance         0.89           De Bears Industrial         118.00           Edgars Consol. Inv.         3.15           Edgars Stores         40.00           Fed Volksbelengings         1.90           Greatermens Stores         2.85           Huletts         3.45           LTA         2.25           McCarthy Rodway         0.50           NedBank         3.70           OK Bazzers         8.25           Premier Milling         5.35           Protona Cement         14.45           Protea Holdings         1.65           Rand Mines Poperties         3.05           Rembrandt Group         3.95           Retco         0.38	+0. -0. -0.
	Ciub Mediter 480 +1 9 2.1 Cr'dit C'm.Fr'ce 157 +3.9 12.75 8.4 Creuset Leire 66.5 -0.4 Dumaz 752 +2 33.75 4.6 Fr. Petroles 203.0 -4.9 15 7.1 Gen. Occid'nt'le; 265 10.5 3.9	Currie Finance         0.89           De Bears Industrial         118.00           Edgars Consol. Inv.         3.15           Edgars Stores         40.00           Fed Volksbelengings         1.90           Greatermens Stores         2.85           Huletts         3.45           LTA         2.25           McCarthy Rodway         0.50           NedBank         3.70           OK Bazzers         8.25           Premier Milling         5.35           Protona Cement         14.45           Protea Holdings         1.65           Rand Mines Poperties         3.05           Rembrandt Group         3.95           Retco         0.38	+
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	Ciub Mediter 48.9 + 1.9 2.1 Cr dit C'm.Frice 65.5 - 0.4 - 1.5 Creusot Loire 66.5 - 0.4 - 1.5 Dumez 752 + 2 35.75 4.6 Fr. Petrolee 205.0 - 4.9 15 7 1.9 Gen. Occid'nt'le 265 10.5 8.9 Imetal 74 - 1.4 5.7 7.9 Jacques Borel 10.9 9 - 1.5 Lafarge 265.0 - 2.5 28.16 7.7 Lafarge 10.9 9 - 1.5 Lafarge 15.0 - 18 35.75 2.4 Mais'ns Phoenix 566 xt 1 39.8 7.0 Michelis "B" 973 10 37,5 7.7 Moethernesses 76 4 15.76 3.4 Moulinex 90.0 xt - 2 3 3 4.4	Currie Finance	+1 +1 -++
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	Club Mediter 480 +1 9 2.1 Cr'dit C'm.Fr'ce 157 +8.9 12.75 8.4 Creusot Loire 66.5 -0.4 - Dumez 752 +2 35.76 4.6 Fr. Petroles 205.0 -4.9 15 7.1 Gan. Occid nt le 265 10.5 8.9 Imetal 74 -1.4 8.7 7.9 Jacques Borel 10.9 9 +0.9 - 12.5 8.3 Legrand 1610 -18 86.76 8.3 Legrand 5610 -18 86.76 8.3 Mais'ns Phoenix 566 x +1 39.8 7.0 Michelia "B" 973 -10 87.5 8.7 Moutlinex 90.0x +0.2 3 5.4 Moutlinex 90.0x +0.2 3 5.4 Moutlinex 90.0x +0.2 3 5.4	Currie Finance 0.89  De Bears Industrial 118.00  Edgars Consd. Inv. 3.15  Edgars Stores 40.00  Fred Volksbelengings 1.90  Greatermens Stores 2.85  Huletts 3.45  LTA 2.25  McCarthy Rodway 0.60  NedBank 3.70  OK Bazzers 8.25  Premier Milling 5.35  Pretoria Cement 14.45  Protae Holdings 1.65  Rand Mines Poperties 3.05  Rento 0.38  Sace Holdings 1.59  SAPPI 3.40  C. G. Smith Sugar 6.10  SA Breweries 1.56  Tinger Osts & Nat. Mig. 1.30  Financial Rand U.S.\$0.30	+1 +1 -++
	Ciub Mediter 480 +19 2.1 Cr'dit C'm.Fr'ce 65.5 -0.4 Creusot Loire 66.5 -0.4 Dumez 752 +2 35.75 4.6 Fr. Petroles 203.0 -49 15 7.1 Gen. Occid'nt'le 265 10.5 8.9 Imetal 74 -1.4 5.7 7.9 Jacques Berel 10.9 9 +0.9 -1 Lefarge 265.0 -2.5 28.16 7.7 Legrand 1,610 18 35.75 2.4 Mais'ns Phoenix 566 st +1 39.8 7.0 Michelia 8" 973 -10 37.6 5.2 Moulinex 90.0 -10.2 3 3.4 Moulinex 90.0 -0.2 3 3.4 Moulinex 20.95 -9.15 2.25 7.5 Parlibas 212.5 -0.5 18.18 4.8 Pechiney 101.1 -0.5 7.5 7.5	Currie Finance 0.89  De Beers Industrial 118.00  Edgars Conad. Inv. 3.15  Edgars Stores 40.00  Frad Volksbelengings . 1.90  Greatermens Stores 2.85  Huletts 3.45  LTA 2.25  McCarthy Rodway 0.80  NedBank 3.70  OK Bazaers 3.70  OK Bazaers 1.65  Premier Milling 5.35  Pretoria Cement 14.45  Prottal Holdings 1.65  Rand Mines Poperties 3.05  Rentro 0.38  Sace Holdings 1.59  Sappil 3.40  C. G. Smith Sugar 6.10  SAPPil 3.40  C. G. Smith Sugar 6.10  SAPPil 1.56  Financial Rand U.S. 30.4  (Discount of 241%)	+1 +1 -++
	Ciub Mediter 480 +19 2.1 Cr'dit C'm.Fr'ce 65.5 -0.4 Creusot Loire 66.5 -0.4 Dumez 752 +2 35.75 4.6 Fr. Petroles 203.0 -49 15 7.1 Gen. Occid'nt'le 265 10.5 8.9 Imetal 74 -1.4 5.7 7.9 Jacques Berel 10.9 9 +0.9 -1 Lefarge 265.0 -2.5 28.16 7.7 Legrand 1,610 18 35.75 2.4 Mais'ns Phoenix 566 st +1 39.8 7.0 Michelia 8" 973 -10 37.6 5.2 Moulinex 90.0 -10.2 3 3.4 Moulinex 90.0 -0.2 3 3.4 Moulinex 20.95 -9.15 2.25 7.5 Parlibas 212.5 -0.5 18.18 4.8 Pechiney 101.1 -0.5 7.5 7.5	Currie Finance 0.89  De Beers Industrial 118.00  Edgars Conad. Inv. 3.15  Edgars Stores 40.00  Frad Volksbelengings . 1.90  Greatermens Stores 2.85  Huletts 3.45  LTA 2.25  McCarthy Rodway 0.80  NedBank 3.70  OK Bazaers 3.70  OK Bazaers 1.65  Premier Milling 5.35  Pretoria Cement 14.45  Prottal Holdings 1.65  Rand Mines Poperties 3.05  Rentro 0.38  Sace Holdings 1.59  Sappil 3.40  C. G. Smith Sugar 6.10  SAPPil 3.40  C. G. Smith Sugar 6.10  SAPPil 1.56  Financial Rand U.S. 30.4  (Discount of 241%)	+1 +1 -++
	Ciub Mediter 480 +1 9 2.1 Cr'dit C'm.Fr'ce 65.5 -0.4 -5 Creusot Loire 66.5 -0.4 -5 Dumez 752 +2 35.76 4.6 Fr. Petrolee 205.0 -4.9 15 7.1 Gen. Occid'nt'le 265 10.5 8.9 Imetal 74 -1.4 5.7 7.9 Jacques Borel 109.9 +0.9 -7.7 L'Oreal 560 +2 25.5 5.3 Legrand 1610 -18 36.76 2.7 L'Oreal 560 +1 39.8 7.0 Michelia "B" 973 -10 375.5 7.7 MoetHennessey 476 4 15.76 3.4 Moulinex 90.0 m +0.2 3 5.4 Moulinex 213.5 -9.15 2.25 7.2 Paribas 213.5 -0.5 18.18 4.8 Pechincy 101.1 -0.5 7.5 7.5 Perned Bleard 29 8 8 10 9 36 5 5 5	Currie Finance 0.89  De Beers Industrial 118.00  Edgars Conad. Inv. 3.15  Edgars Stores 40.00  Frad Volksbelengings . 1.90  Greatermens Stores 2.85  Huletts 3.45  LTA 2.25  McCarthy Rodway 0.80  NedBank 3.70  OK Bazaers 3.70  OK Bazaers 1.65  Premier Milling 5.35  Pretoria Cement 14.45  Prottal Holdings 1.65  Rand Mines Poperties 3.05  Rentro 0.38  Sace Holdings 1.59  Sappil 3.40  C. G. Smith Sugar 6.10  SAPPil 3.40  C. G. Smith Sugar 6.10  SAPPil 1.56  Financial Rand U.S. 30.4  (Discount of 241%)	+1 +1 -++

# Sage Holdings

Per, cent
110
275
304
262
134
263
748
201
332
243
280
227
148

Petroliber

المستنامة الماصل

COPENHAGEN #

Greatminstall 338
Perimoser. 276
Selecta 559 -1
Semperit 79
Steyr Daimier. 214-tr
Veit Magnesit. 265m -1

Price + or Div. Yid.

Curbss Winght. 15:5 15:8

Dana 27 27:4

Dart Industries 45:1 45

Days 8 77:4 87:2

Deltona 16:4 15:1

Deltona 16:4 15:4

Deltona 16:4 15:4

Deltona 16:4 15:5 15:4

Deltona 16:4 15:5 15:4

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Deltona 16:4 15:4

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Deltona 16:4 15:5 15:4

Deltona 16:4 15:4

Deltona 16 (230m) shares.
Trading slowed towards the gained ground on a possible rise in energy prices. Amer. Airlines. 10.a ( 11's Amer. Brands. ... 59's 159's Domestic and Foreign Bonds firmed slightly. close as investors became reserved ahead of the outcome of the OPEC Meeting in Geneva.
Oils were higher on speculative buying, with Arabian Oil rising Y180 to 5.300, Teikoku Oil Y38 to Scovil Mrg....... 1814 Scudder Duo Cap 9 Dollar stocks fluctuated narrowly, while Chrysler gained ground. Dutch Internationals rose, led by Royal Dutch. German fluctuated Long isl ind Lig ...
Louisiana Land ...
Lucky Stores ...
MacMillan .....
Macy R.H .....
Mary R.H ..... Thaly (1i) 78.79 79.44 80.01 68.38 (2/1)

Japan (a) 447.06 446.75 462.67 435.22 (3/1)

Singapore (b) 581.51 578.29 404.15 346.34 (23.2) BP Canada ..... 28 Brascan ...... 241, shares were widely firmer, while NOTES: Overseas prices shown below exclude \$ premium. Belgian dividends are after withholding tax.

DM 50 denom, unless otherwise stated, yelds bosed on net dividends plus tax

P Pta 500 denom, unless otherwise stated.

DKr 100 denom, unless otherwise stated.

DKr 100 denom, and Besirer shares unless otherwise stated.

SWFr 500 denom, and Besirer shares unless otherwise stated. \$ Y50 denom, unless otherwise stated. \$ Y50 denom, unless otherwise stated. \$ Y50 denom, and Besire shares unless otherwise stated. \$ Y50 denom, and Besire shares unless otherwise stated. \$ Y50 denom, and Besire shares unless otherwise stated. \$ Y50 denom, and Besire shares unless otherwise stated. \$ Y50 denom, and Besire shares to the following t Macy R.H. ... 3814
Mfrs. Hanover ... 3334
Marathon Oil ... 3614
Marine Midland. 1536
Marsh McLenn n 62 Indices and base dates (all base values 100 except NYSE All Common—50; Standards and Poors—10; and Toronto 300—1,000; the lest named based on 1975). † Excluding bonds. ‡ 400 Industrials. ‡ 400 Industrials. ‡ 400 Industrials. ‡ 400 Utilities. 40 Finance and 20 Transport. 1 Sydney All Ordinary. ‡ Belgian SE 31/12/63. \*\*\* Copenhagen SE 1/1/73. †† Paris Bourse 1961. ‡‡ Commerzbank Ancher Heaking. Anheuser Busch. Chieftain.... GERMANY + Merrill Lynch...
Mess Petroleum.
MCM ....
Minn Ming & Mtg
Mobil Corps. Price + or Div. Yld. June 26 Prices + or Div. Yld June 26 New England Te
Nagara Mohawk
Nagara Share...
1119
N. L. Industries
Norfolk & Wast in
Noth Nat. Gas
Noth Nat. Gas
Noth Nat. Gas
Noth States Per
Nthwast Airliner
Nthwast Airliner
Norton Simon...
15
Occident | Petrol
Ogily Mather...
19
Onio Edison...
20
14 13:2 24:2 25:9 45:3 29:25:2 15:9 20:3 Texasguif ...... Texas Eastern... 491; 471;
Texas Instrum... 92 921;
Texas Oil & Gas... 43 421;
Texas Utilities... 1914 195;
Times Inc... 381-381;
Times Mirror... 2914 295;
Timken..... 60 60
Trane...... 2012 215;
Trans. America... 18 17;
Trans. America... 18 17;
Trans... 275; 2814
Tran... Union... 351; 351;
Transway Intl... 24 24;
TWCorp..... 2018; 205;
Travelers... 381; 38
Tri-Continental... 175; 175; Cariton United Brewery.
CSR (\$1)...
Cockburn Cement...
Cocks (\$L.):
Cons. Goldfielda Aust...
Container (\$1)...
Conzinc Riotinto Brit. Pet ADR. . 284 Brunswick. . . . . Bucyrus Erie . . Burlington Nthn. Carnation . .. 26:1 Carrier & Gener. 11:4 Overseas Ship. Overseas Ship. 29
Owens Corning. 2514
Owens Illinois. 2514
Pacific Gas. 253Pacific Lighting. 2112
Pan Am World Air
Parker Hannifin. 201Penney J. C. 301Penney J. C. 301Pennwalt 35Pennacol. 355Peoples Gas. 355Pepaico 25Pepaico 25-Celanese Corpn. 44 Central & S.W.... 15: Triton Oil & Gas.' 7 Certainteed... 161-Cessna Aircraft... 164-Cessna Aircraft... 241-Champion Inter. 24% Chise Manhattan 35 Chemical Bk. NY 38% Chesebrigh Pond Chessie System... Chicago Bridge Chicago ... Chrysler Cinc. Milacron... Union Carbide. .. 38 UnionCommerce 131<sub>2</sub> Union Oil Calif. .. 37 Rio Algom ..... 371, Royal Bk. of Can. 411, City Investing... Claveland Cirl! CocaCola Colgate Paint... | Sceptre Res urce | Sage | Sage | Sage | Sage | Sage | Sage | Shell Canada | 25 kg | 24 kg | Shell Canada | 25 kg | 24 kg | Sherritt G. Mines | 11 kg | 11 kg | 11 kg | 12 kg **AMSTERDAM** June 26 Price + or: Div. Yld. Otter Exploration .. June 26 Fis. — \$ 6

Ahold (FI,20)..... 93.3 + 1.5 | 22 | 4.7
Akza (FI,20).... 29.1 + 0.6 | — —
Alg'm 8k,Fi 100, 341.5 - 1.0 A25 7.4
Amev (FI,10)... 86.5 - 0.5 50 5.9
Amrob'k (FI,20)... 70.3 + 0.3 (25 7.1
Bijenkorf ..... 70.5 + 0.5 28 7.9
BokaWstm(Fi 10 101.0 at - 2.5 85 8.6
Buhrm' Tetter'... 61.5 at - 1.5 27 8.6
Elsev'r-NDU(FI20 266.2 - 0.8 s40.2 9
Ennia N.V. B'rer 132.3 at + 0.3 A371, 5.7
EurComTat/Fi10 70.1 ... 94.5 5.0
Gist-Broo (FI0 ... 37.8 + 1.0 22 5.8
Heineken (FI25) 85.8 6.8 14 4.1
Hoog'ns (FI.20)... 31.0 ... 4 5.0
K.L.M. (FI.100)... 104.0 - 0.5 s5 2.8
Int. Muller(FI.20)... 35.7 + 1.2 19 10.5
Nat. Ned InsFi10 102.8 at -0.1 55 5.4
Ned Cr'dBk(FI.20 57.2 + 0.2 22.5 8.0
Nat. Ned InsFi10 102.8 at -0.1 55 5.4
Ned MidBk(FI.50 52.3 - 0.0 5 24 5.6
Oca (FI.20)... 162.0 + 6.5 38 4.7
OGEM (FI.10)... 21.4 at 24 (II.0
Van Ommeren... 184.5 + 2.5 ... —
Pakhoed (FI.20)... 165.0 at -1.0 26.4 8.2
Roirco (FI.50)... 165.0 at -1.0 26.4 8.2
Roirco (FI.50)... 113.2 at ... 19.8 4.0
RoyalBurtchFi20 135.0 -0.5 g ... Rorento (FI.50)... 113.0 ... 1.2
RoyalBurtchFi20 135.0 -0.5 g ... RoyalBurtchFi20 135.0 -0.9 g ... RoyalBurtchFi20 135.0 -0.9 44.8 7.2
Viking Res. ... 56.0 e .0.7 50.26 0.9
Volkar StvnFt20 71.2 g -0.8 30 8.2
West.Utr. Hypok 673 - 4 33 3.9 Pexa Oil..... Pioneer Concrete ..... Reckitt & Colman .... Columbia Gas...

† Bld. ‡ Asked. ‡ Traded. New stock.

Samuel Montagu 14 %

Morgan Grenfell 14 %

National Westminster 14 %

Norwich General Trust 14 %

P. S. Refson & Co. 14 %

Rossminster 14 %

Ryl. Bk. Canada (Ldn.) 14 %

Schlesinger Limited 14 %

E. S. Schwab 15 %

Security Trust Co. Ltd. 15 %

Shenley Trust Co. Ltd. 15 %

Shenley Trust 16 %

Standard Chartered 14 %

Trade Dev. Bank 14 %

Trustee Savings Bank 14 %

Twentieth Century Bk. 15 %

United Bank of Kuwait 14 %

Whiteaway Laidlaw 14 %

Whiteaway Laidlaw 14 %

Varkehira Bank

#### inister ınds firm fish

N'S NEW Fisheries c, Mr. Peter Walker, is taking a tough line on a Market fishery policy is like that adopted by bour predecessor Mr.

<sup>7</sup>alker told the House of is yesterday that at s EEC Council meeting cted EEC Commission is for fish conservation s to come into effect on

own conservation s, as I had previously ed on May 18, would to operation on July 1. ddered that it was vital y should," the Minister

and pleased UK fishing leaders A British Federation (BFF) an said yesterday the was "encouraged" to Mr. Walker was not ng in the face of pres-

m the EEC. tre particularly pleased e is sticking by " the spokesman said. 'alker also refused to hanges in the interim nents existing with

d the council that the not prepared to accept approach that be involved in the of a number of limited ity measures that were marketing and exporting

# Ghanaian cocoa crop lowest for 10 years

Bank of Ghana said in its latest Economic Bulletin, reports Renter:-

At one time the country's annual production average was 650,000 tonnes, but lack of encouragement from the Government to farmers, smuggling and poor climatic conditions have cut production the Bank said.

In a report in February, the International Monetary Fund said Ghana could afford to increase its producer price of cocoa, which at that time was only 31 per cent of the world market price.

The volume of cocoa exports has also declined and between 1967 and 1976 fell by 45.5 per cent, according to Finance and Planning Ministry officials.

One of the major political parties, the Peoples National Party (PNP), said it will be looking seriously at the Cocoa Marketing Board which, it added appears to be a "government within a government." It said the Board's present role should be reviewed and its charter revised so that it reverts to its original role as a

ACCRA—Ghana's cocoa production for 1978-79 is estimated at 284,000 tonnes, the lowest cocoa price ended the day £3 down at £1,596.5 a tonne.

Values moved sharply lower in the morning with the September position slipping £24 a tonne as speculative selling added to the recent sustained decline. But prices recovered in late trading in response to the Bank of Ghana production forecast. News of the execution of two former Ghanaian leaders gave additional support. Traders said the market

appeared unaffected by news of higher arrivals of Brazilian Bahia cocoa in the week ended June 24. The total was 201,304 bags compared with 164,184 bags last week. September coffee futures on

the London market also finished £3 lower at £2,049.5 a tonne as Brazilian frost fears eased once But in Utrecht Dutch coffee roaster Douwe Egberts said it did not exclude a rise in the

retail price of coffee in the Autumn Uncertainty in Brazil caused by the recent frost damage had already led to an increase in international market prices which might be passed on to the consumer, the company said.

Douwe Egberts accounts for

aluminjum In Japan about 50 per cent of the Dutch

# arble fly pest on the wane

RISTOPHER PARKES

HAS been a dramatic

ist impressive improve-the control of the as occurred in the Mid-Damaged hides fetch low per cent last month.

luction in the incidence ken last year obliging o treat their cattle and hem against it. The duce the scale of the hoped for.

he incidence of warble can be continued for a further ation in British cattle, two or three years we should go and Livestock Commis- a long way towards the eradica- year. nted yesterday.
onth only 8.6 per cent inspected by MLC i

rs at auction markets

The fly, whose grubs burrow would cost the farming ested compared with through the flesh of live cattle cent in May last year, and emerge eventually through the hide along the ridge of their ferrers. Minister of St backs, costs the livestock

st May, Il per cent of prices, the grubs spoil fat and ispected, there were meat, and the irritation caused be infested compared to cattle affects milk yields. The high-pitched buzz of the

warble fly has also been known st follows Covernment to drive herds of animals to ken last year obliging stampede in panic. Dr. Melrose said the MLC had shown "a much better reduction rd winter has also than we could have possibly

Not only were fewer cattle lapel badges for schoolchildren

"If such an encouraging effort affected but the average number of warbles in each infested animal was much lower than last

> The Ministry of Agriculture last year reckoned that the eradication of the affliction would cost the farming industry

• In Harwich yesterday Lord Ferrers, Minister of State at the Ministry of Agriculture, gave a boost to the national campaign to protect the country from infection with rabies, calling for help from the media to keep the threat in the public eye.
"Rabies is endemic and spreading on the Continent,"

Lord Ferrers warned. The current publicity cam-paign is being reinforced. New leaflets are being prepared for distribution to trippers. Stickers for lorries will be available later this year, and wall charts and

to close the lets ke over, 8,250 tonnes.

ZINC

فارمتمتها لأ

HICKEL

e.m. Official

Morning: Cash £504. 5, three months 569, 68, 68.5, 69, 72, 74, 73, 73.5, sept. Three months £574. 73, 71. ternbon: Three months £570, 69, 70, 55, 71. Karb: Three months £572,

ZINC Lower following trade selling which depressed the price from £364 in the moming to £366,5 on the late kerb. Turnover, 4,550 tonnes.

official — Unofficial —

S.m. 1-cr p.m. 1-cr Official - Unofficial -

Morning: Three months £731, 31.5, 33, 35, 34, 34.5, 35, 34.5, Kerb: Three months £734, Atternoon; Three months £733, 32, 31, 30, 31. Kerb: Three months £731, 30.

MICKEL-Marginally easier with the marker mainly influenced by currency considerations. After opening at £2,730 forward material eased to a low of £2,680 but falled to close the late kerb around the £2,760 level. Turnover, 486 tonnes.

Morning: Three months £2.750, 60, 40, 45, 50, 55, 70, 60, 70, 75. Atternoon: Three months £2,750, 50, 55. Kerb: Three months £2,750, 55, 70, 60. \*Cents per pound. ; \$M per picul. † On previous unofficial close.

Silver was fixed 4.5p an nunce lower for spot delivery in the London buillion market yesterday at 403.6p. U.S. cent equivalents of the fixing levels were: spot 883.9c, down 18.4c; three-month 883.1c, down 18.3c; six-month 300.8c, down 20.2c; and 12-month 934.0c, down 21.2c. The metal opened at 402½-403½p (871-573c) and closed at 401½-402½p (884½-886½c).

SILVER Builden H or L.M.E. + or tear fixing troy oz. price

LME—Turnever 201 (188) lets of 10,000 azs. Morning: Three months 415.5, 8. Kerbs: Three months 415. Afternoon: Three months 414.3, 4.5, 4.2, 14, 13.8, 14, 4.1, 13.9, 3.8, Kerbs: Three months 414.5, 4.7, 4.5, 4.2, 14.

fixing price

ter i

am + or p.m. + or Official -

#### Erratic day in metal market

By Our Commodities Staff

FLUCTUATIONS in the value of sterling against the U.S. dollar made for an erratic day's trading on the London Metal Exchange yesterday.

Copper prices, for example. moved downwards earlier in the day when sterling was relatively strong, but picked up and moved ahead later as the dollar gained strength. Cash wirebars closed £6.5 a tonne up at £897.5 and three

months metal was £8 higher

at £913.25 Markets in general were nervous as traders awaited the outcome of the oil price conference, fearful of the potential impact of any large-scale energy price increases on industrial demand for metals

Renewed demand for eash metal and some steadiness in the eastern markets combined with currency factors to push up tin prices.

The cash price for standard grade tin ended the day £70 a tonne higher at £7,935, while three months metal rose £37.5 to £7.122.5.

Lead prices rose marginally for the first time in more than a week, with cash metal gaining £3 to £605 a tonne and three months metal edging up £1 to £571.5.

smelters have been told by local oil refineries that fuel oil supplies will be reduced by 10 to 15 per cent following crude oil cutbacks from oil-producing countries, Yoshio Ogawa, president of the Japan Aluminium Federation, and Thomas are fount for the part of the period for the part of the period for the said. There was some fear, he added, that the proposed fuel cutback might force the smelters to slow down production.

#### Stockpile plan

PARIS-France plans further purchases of minerals to reach its stated target of holding two months' supplies by 1985, M. Andre Giraud, Industry Minister, said here. He told the Federation of Mineral and Non-Ferrous Metal Producers this would be done through an appropriate financing mechanism now being worked out.

The Ministry was unable immediately to provide details of France's current stocks.

**WEST GERMAN AGRICULTURE** 

# Ertl fends off big tax rises

BY ELGIN SCHROEDER IN BONN

HERR JOSEF ERTL, the West burk. German Minister of Agriculture, has done it again. Not only did he fight off any threat to German farmers' incomes in the EEC price marathon which ended last week. He also seems to have beaten off those at home who were seeking a sharp increase in farmers' taxation.

The EEC agreement will, admittedly, bring only a marginal rise in German farmers in-But at least Herr Ertl was able to avoid a total freeze of farm prices—as demanded by the EEC Commission—with the support of Britain until almost

meeeting under the chairman-ship of Chancellor Helmut Schmidt, Herr Ertl, Herr Hans Matthoefer, the Finance Minister, and Herr Hans Jochen Vogel, the Justice Minister, at last reached accord on the vexed problem of revising agricultural income tax regulations. The most important upshot for the country's 840.000 farmers was that their additional annual tax bill will only be around DM 200m (£50.38m) instead of the more than DM 1bn, thought posssible when the dispute be-

This decision was taken despite the findings of a commission of independent experts set up more than a year ago after a row between the Finance Ministry and Herr Ertl over the the farming community's low tends to benefit from the tax payments. As Herr rate taxation procedure.

Matthoefer wryly remarked, at is because the big holdings a total tax yield of below half often take advantage

The matter has been an in- that ideally the flat rate pro-reasing source of friction be- cedure should be abolished. creasing source of friction between the two Government coalition partners-Herr Ertl's making book-keeping compul-Free Democrats (FDP) and Herr Matthoefer's Social Democrats (SPD).

that at present only one farmer dard rate—to help medium-in six is liable to pay full tax. sized farms bear the heavier Further, only around 5 per tax burden and keep German cent are keeping accounts. Another 5 per cent ought to keep books, but in fact do not, his farmers the far heavier so their income has to be overall tax load introduction of assessed. Most farmers, how-all this would have implied. ever, pay tax on profits at a But he had to compromise on flat rate based on the value of some points. Strongly supported the land under the plough, on by the ever-vigilant German Only days earlier at a special value of the farmstead.

#### Outrage

sion's calculations, the value to keep accounts and that the of these assets—especially of rest remain taxed at a flat rate the labour input—greatly as at present. But this was too the labour exceeded the flat rate assess- much for the Finance Ministry ment. Farmers' real gains were to stomach. said to be between four and five times higher than their tax return showed. The experts thus reckoned that the State better to assess their tax liabiloses up to DM2bn in revenue annually from the farming com- that book-keeping will be community due to the shortcomings of this flat rate procedure.

pulsory for all those holdings of more than 30 hectares who naturally feel outrage at this, at least DM 36,000 from a mini-but the system is also unfair mum turnover of DM 360,000

to farmers themselves. The or whose agriculturally bigger the farm the more it land is worth at least DM 40,000, tends to benefit from the flat It is estimated that about rate taxation procedure. This 140,000 farmers will be covered is because the big holdings can under these provisions.
often take advantage of Secondly, between 100,000 and billion Deutschmarks a year, mechanisation and therefore in

Failing that it recommended sory for all farms with profits more than DM12,000 a year. Farms with smaller profits The Commission established should be assessed at a stan-

the labour input and on the Farmers' Federation he initially demanded that only farmers whose land under the plough Jutrage was valued at more than According to the Commis- DM 48,000 a year be compelled

Under the three-point plan now agreed, many more farmers will be made to keep books the lity. In principle it is envisaged Many non-farming tax-payers are making an annual profit of

130,000 farmers will have to

The Commission thus felt holdings is between 20 and 30 hectares and the value of their land under the plough between DM 25,000 and DM 40,000. However, to soften the blow Herr Matthoefer has agreed to increase the tax-free element in the incomes of both these groups of farmers. sent allowance of DM 1,200-DM 2,400 for unmarried and tax burden and keep German married farmers respectively agriculture competitive, will go up to DM 2,000-Herr Erti managed to spare DM 4,000.

The 600,000 or so farmers not fitting into either of these two categories will remain subject to the flat rate assessment, albeit a higher (but so far unspecified) one.

#### Hurdles

Although the basic accord has been reached in the coalition. the reform has more hurdles to clear before it becomes law. A the Cabinet after the summer holidays. But already both the Christian Democrats (CDU) and its Bavarian sister party, the Christian Social Union (CSU) have sharply criticised the proposed measures. This is of more than theoretical importance since the Bill will have to come before the Bundesrat, the Upper House of Parliament, where the CDU-CSU has a majority.

Meanwhile, as expected, the Farmer's Federation has expressed deep disappointment at the proposed reform. But there are nonetheless many who feel that farmers could hardly have counted on less additional farmers were paying less than fact employ fewer hands than make simple carnings/expendi-reviewed—and, but for Herr the workforce at Volkswagen's are assumed under the scheme ture calculations for the tax Firth could well have been hit German headquarters at Wolfs- to be at work.

authorities, if the size of their for more.

#### Japan curbs whale trade

are not members of the Inter- cluded in last year's figures. national Whaling Commission starting on July 5, the Ministry of International Trade and Industry (MITI) said here yester-

day.

A MITT official said the ban is in accordance with resolutions passed by the IWC in 1977 and 1978 asking members to refrain from importing from non-IWC Japan last year imported 6.030

tons of whalemeat from nations outside the IWC, including the only nations w 2,776 tons from Cyprus, 2,645 going whaling fleets, tons from Spain and 597 tons The 21-member IWC from Somalia. dropped from 7,323 tons in 1977 for next year. because South Korea and Peru, AP-Dow Jones

TOKYO-Japan will ban all principal whale products eximports of whales and whaling porters to Japan, joined the products from countries which IWC this year and are not in-

He said whale imports from IWC members, including South Korea and Peru, totalled 27,900 tons last year.

Conservationists have accused Japanese companies of exporting whaling equipment to non-IWC member nations and buying back their catches to circumvent IWC quotas on several endangered whale species. Japan and the Soviet Union are now the only nations with ocean-

The 21-member IWC will open general meeting in London on The official said the total July 9 to discuss catch quotas

#### Sugar tenders to continue BRUSSELS - The Common operations were hit by a 135-day

Market's weekly sugar export strike. tenders will continue into July Mr. Harold Davis, chairman to eliminate remaining stocks, of Guyana Sugar Corporation, Commission sources said yestersaid in his annual report that

They said at least one tender will be necessary in July on present indications and possibly two, but refused to give further details.

The sources were responding to rumours on the London sugar market that today's tender will be the last of this year's campaign since the EEC's

sugar year ends on June 30. industry here has reported a weather conditions, stable before-tax profit of £84,000 for labour relations, increased pro-

group sales for the year were 152.28m (£38.2m). Canada took 53,965 tons of Guyanese sugar last year to

come close to displacing the U.S. as the second largest buyer of the country's sugar. However, the EEC remained the major market, taking 167.123 tons of bulk raws and 2,295 tons of specials.

Mr. Davis felt the current year would be another difficult Our Guyana Correspondent one for the industry and plans writes: The nationalised sugar for recovery would depend on last year, compared with a loss duction and the market price of £3.12m the year before when for sugar,

#### ISH COMMODITY MARKETS three months £914, 13, 10, 11, 12, 13, 13.5. Cethodes cash £870. Kerb: Wirebers three months £916, 16.5, 16, 15, 15, 15, 14.6, 14, 13.5.

Higher on the London Metal iter an arrate day's trading setting the fluctuations in amat the dollar. Forward ad down to £885 initially ter moved sheed, in time strength of the dollar, to 1's high of £317 prior to 1 the fate kerb of £814.

13. 19.3, 15, 14.5, 14, 13.5.

TIN—Firmer owing to the downtum in sterling, the steediness of the Penang market, renewed demand for cash material and U.S. physical buying. Forward metal opened at £7,030 and moved up to £7,140 before closing the tata kerb at £7,135. Turnover, 2,280 tonces. 2 2 900 1 +9.75 897.8 914.5 5 +10 918.5 901 +10 +115 870.5-9 +115 892-4 -88-B9.25 Morning: Standard, cash £7,950, 8,000, 7,980, 90, 80, three mouths £7,110, 20, 40, 30, 10, 05, Kerb: Standard three months £7,110, Attarnoon: Standard, cash £8,000 7,970, 20, 50, three months £7,120, 30, 25, Kerb: Standard, three months £7,130, 40,

tree months £915, 14.5, 14.

Sept. Tokyo 1592-1601 c Limited 01-351 3466. t Road, London, SW10 0HS. ax-free trading on commodity futures. he commodity futures market for the small investor.

CORAL INDEX: Close 472-477

INSURANCE BASE RATES Property Growth 111%
Vanbrugh Guaranteed 121%
Address shown under Insurance and Property Bond Table.

# A Guide to maged Commodity Accounts

g about placing funds in commodities? What should you rom a broker? Before committing yourself, or your money, short test:

Il your liability be limited? nat commission and fees will you pay? w easily can you withdraw your investment? il your brokes tell you how investment decisions are

Il you be kept informed on the state of your account? ant questions like these are answered in a new CCST to Managed Accounts. It will help you to decide whether e of account is suitable for you, while outlining the services r. Send for it today; there's no commitment. We'll also send a free copies of the CCST Weekly Market Report; again, t obligation. one Mr.Leslie Clarke, 01-480 6841, or write:

.C.S.T. Commodities Ltd.

Walsingham House, 35 Seething Lane, London EC3N 4AH. Tel: 01-480 6841.

LEAD—Held steady in fairly routine trading with forward metal edging up to £574.5 in the morning before easing to close the less kerb at £569.5. Turn-

Although easier during the morning, wels steadied on renewed buying iterest and currency considerations osing unchanged, reported Gill and COCOA

1560-1569 2.0 1568-1546 1596-1597 3.0 1605-1575 1670-1571 3.0 1605-1575 1670-1710 4.7.5 1710-1586 1727-1730 4.7.0 1727-1730 July .......... 1747-1755 |+ 13.5 1740-1730 Sep ............. 1765-1775 |+ 17.5 1765-1750 Sales: 4,816 (2,006).

Sales: 4,816 (2,006).

International Cocca Organisation (U.S. cents per pound): Daily price June 25: 156.59 (157.54). Indicator prices for June 25: 15-day average 157.63 (157.79); 22-day average 157.48 (157.49).

52.5 +1.25 348.5 -4.75 353.4 +2 356.5 -4.75 362.5 +1 -39.5 ..... COFFEE After opening on a steady note Robustas remained buoyant for most of the day although there were signs of good trade resistance as the market rallied in the afternoon following a good Morning: Three months £382, 63, 64. Kerh: Three months £362. Alternoon: Cash £346, 48.5, three months £361, 60, 58, 57, 56, Kerb: Three months £357, 58, 57. NY performance, reported Drexel.

Dealers were generally on both sides of the market and trading was well matched in good volume. Values settled to finish minus 17 to plus 07.5 from Monday. ALLMINIUM—Easier despite the wakeness of sterling against the dollar. Forward metal opened at £730 and rose to £736.5 in the morning owing to currency considerations. However, in the afternoon stop-loss selling depressed the price to £730 at which level the price atabilised following ranewed buying support. Turnover, 3,400 tonnes.

Ckee + or Business
Done COFFEE £ per tonne July 2020-21
September 2049-50
November 2057-59
Janusry 2058-69
March 2055-57
May 2046-47
July 2040-50 -17.0 2043-20 -3.0 2067-44 +5.5 2078-50 +7.0 2084-59 +7.5 2072-45 +7.0 2064-45 +7.5

Sales: 8.033 (6,575) lots of 5 tonnes, ICS indicator prices for June 25 (U.S. cents per pound): Other Mild Arabicas 201.67 (198.83): Robustas ICA 1978 199.00 (196.00); ICA 1988 199.50 (196.50); Colombian Mild Arabicas 208.00 (203.00); Unwashed Arabicas 198.00 (198.00). Comp. delly ICA 1968 200.78 (197.81).

GRAINS

Grains markets have been generally, Nov. 86.60, Jan. 100.80, Merch 104.05, up to 50-60 points in thin trading and much of the volume emanised from switches. A lack of selfers of barley switches. A tack of softers of barrey below 50 lower coupled with commercial buying forced a rafly on the close and values on barley closed between unchanged to 20 lower. Wheat was generally west during the day but early hedge selling was absorbed and the market closed about steady between 20-35 points fower, reported Acti.

BARLEY

|Yesterday's| + or |Yesterday's + or | | H'utin case | - close | - 
 beps.
 93.00
 -0.35
 88.90
 -0.10

 Nov.
 96.60
 -0.2
 92.65
 -0.2

 Jan.
 100.00
 -0.75
 96.80
 -0.06

 Mar.
 104.05
 -0.35
 103.30
 -0.95

 Mar.
 107.55
 -0.25
 103.30
 -0.95
 Mag., 107.55 |-0.25 | 103.30 |-0.55 |
Business done—Wheat: Sept. 93.0. Nov. 98.90. Jan. 109.80. March 104.05. May 107.55. Sales 221. Barley: Sept. 88.90. Nov. 92.95. Jan. 98.90. March 100.05. May 103.30. Sales 200. IMPORTED—Whast: CWRS No. 1, 131. par cent, unquoted. U.S. Dark Northern Spring No. 2, 14 per cent, June 105.75. July 105.25, transhipment East Coast. U.S. Hard Winter, 132. per cent, July 104. transhipment East Coast. U.S. Franchipment Ecc. unquoted. Maize: U.S. Franchipment Hard Coast. U.S. Franchipment East Coast. S. African White unquoted. S. African Yellow Aug. 82.00 nominal. Barley: English feed do Dott./Dec. 93.90. Sorghum: U.S./Aryentine unquoted. Oats: Scendington. reed tob Oct./Dec. 93.90. Sarghum: U.S./Argendine unquored. Octs: Scendinavian feed unquoted.

HGCA—Location ex larm spot prices. Berks and Oxon—Whest: 95.00. Berley: 88.00. The UK monetary coefficient for the week beginning Monday July 2 is expected to remain unchanged.

RUBBER

EASIER OPENING on the London physical market. Little interest throughout the day, closing on a dull note. Lewis and Peat reported a Majaysian godoown price of 294.0 (296.0) cents a kilo (buyer, July). No. 1 Yesterday's Previous Business Done

Aug...... 84,10-84.20, 84.25-84.75, 94,78-64.20 Sept .... 85,00-85.40, 64,50-64.60, 68.50 Oct- Dec' 87,80-67.50, 88.30-88.40, 68.55-87.50 Jan-Mar. 70.40-76.58, 70.55-70.75, 70.80-63.50 Sales: 546 (751) at 15 tonnes and 16 at 5 tonnes. Physical closing pricas (buyer) wers: 5pot 63.25p (63.0p); August 67.75p (69.0p); Sept. 68.425p (68.50p).

SOYABEAN MEAL

October ----- 158.90-59.2' + 0.10 139.10 58.00 December --- 158.90-59.0 + 0.48 158.00 57.89 140.60-40.1 + 0.2 | 140.10-40.09 April 149.70-40.8 149.70-40.80 June 141.60-41.8 + 0.2 142.20-41.60 Aug 142.80-45.0 + 0.4 142.90 Sales: 262 (127) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (rew sugar): £101.0 (same): a tonne cif for May-June shipment. White sugar delly price June shipment. White sugar delly price was £104.5 (sams).
Currency factors provoked scattered buying which caused prices to gain some 50 points over the morning exsellers withdrew scale-up. Later easier New York quotations stimulated heavier otherings and losses of some 100 points occurred with final prices boling the low points of the day, reported C. Czernikow.

Ang...... 107.00.07.20.197.50.97.50 107.70.96.50 Oct...... 111.25-11.50,111.55-11.70,112.20-10.25 Dec...... 115.25-15.56,116.10-16.15,118.90-15.00 March - 12.170-21.75,121.85-21.95,122.75-29.50 Mary - ... 124.55-24.50,126.55-26.50,125.25-25.50 Sales: 1,992 (1,407) lots of 50 tonnes.
Tate and Lyle ex-refinery price for granulated basis white augar was 5279.50 (same) a tonne for home trade and £171.0 (171.5) for export.

International Sugar Agreement (U.S. cents per pound tob and stowed Caribbean port). Price for June 25: Daily price 8.37 (8.26); 15-day average Daily price 8.37 (8.26); 15-day average 8.11 (8.08).

WHITE SUGAR—Close (in order WHITE SUGAR—Close (in order buyer, seller, business, sales): Serio, 195.50, 170.75, 111.00, 10; Nov. 113.50, 14.00, 114.50, 13.50, 40; Feb. 120.50, 21,00. 121.50, 21.25, 25, 32; April 123.50, 24.00, 124.23, 24.00, 30; July 128.00, 28.50, 123.00, 3; Sept. 131.00, 33.00, nil; Nov. 134.00, 37.00, nil, Sales 115.

**WOOL FUTURES** 

#### PRICE CHANGES

Free Mkt (et) \$1,560/80 +45 \$1,600/20 Piatin'm tr'y oz £165 Free mkt...... £201.6 Quickelfver..... \$300/52 Silver troy oz ... 403.60p 3 months.... 416.0p E7.935 +70 E7.467.5 27.122.5 +57.5 E7.172.8 ......\$141.61 .......\$136.8 Oils Coconut (Phil). 51,160 Groundnut...... Lineeed Crude. £400 Paim Malayan.;\$696p

Seeds Copra Philip.... : \$715 Soyabean(U.S.) \$351.75 -7.0 ,\$308.85 ariey Futures £95.65 modities

(in order: buyer, seller only). July 187.0. 198.0; Oct. 189.0, 198.0; Dec. 191.0, 200.0; March 191.0, 200.0; May 192.0, 200.0; July 192.0, 200.0; Oct. 193.0, 202.0; Dec. 195.0, 203.0. Seles.

SMITHFIELD—Pence per pound. Beef: Scotch killed zides 64.0 to 68.0, Ere hindquarters 82.0 to 84.0, Iorequarters 41.0 to 43.0. Veel: English lats 62.0 to 72.0. Dutch hinds and ends 90.0 to 102.0. Lamb: English small-68.0 to 78.0, medium 66.0 to 76.0. Imported frozen: NZ PL 51.0 to 51.5, NZ PM 50.0 to 51.0. Pork: English, under 100 lb 34.0 to 44.0, 100-120 lb 34.0 to 42.5, 120-160 lb 33.5 to 41.5.

MEAT COMMISSION—Average fatstock prices at representative markets

-0.2 289.25 ....E111,1 ~6.25 £107.5 Cocca ship't ... £1,701.5 +7.0 £1,792.5
Cocca ship't ... £1,701.5 +7.0 £1,792.5
CoffaeF't'r8ep £3,049.5 -3.0 £1,792.5
Cotton A'index'(77.65c +0.9 \*74.15c
Rubber kilo :.. 52.25p
Sugar (Raw) ... £101.0
Wooltp's 64s ki 273p Nominal. † New crop. † Unquoted p August. r July. s July-Aug. t June. July. u June. y Nov

COTTON

COTTON—Liverpool. Spot and ship-ment sales amounted to 74 tonnes, bringing the total for the week to 74 tonnes, reports F. W. Tattersells. Few contracts of importance were mentioned and the turnover was on a small scale. Interest was mainly in African and South American growths. MEAT/VEGETABLES

SyDNEY GREASY—Close (In order: buyer, seller, business, sales, Micron: Contract; July 385.5-386.0, 386.0-385.5, 8; Oct. 385.0-386.0, 385.0-385.0, 8; Dec. 386.0-405.5, 8; July 408.0-413.0, 417.0-417.0, 2; Oct. 412.0-413.0, 413.0-417.0, 2; Oct. 412.0-413.0, 413.0-417.0, 2; Oct. 412.0-413.0, 413.0-417.0, 2; Oct. 414.0-419.0, 415.0-414.0, price 170.99 (~4.8). Pig numbers up 10.2 per cent, average price 88.99 (~0.34). Sheep numbers up 6.1-3.5. Scotland: Cartle numbers of cent. 28.0, 233.0; Dec. 218.0, 238.0; March/May/July/Oct./Dec. 228.0, 238.0; March/May/July/Oct./Dec. 228.0, 238.0; NEW ZEALAND CROSSBREDS—Close

#### AMERICAN MARKETS

CHICAGO, June 25 Lard—Chicago logae 26 75 (same). New York prime steam 28.25 (nom.). Live Hoge—July 39.22.38.95 (39.40-39.92). Aug. 36.55-36.52 (35.82.36.51). Oct 34.50, Dec. 38.60-38.50, Feb. 40.00-29.90, April 40.20-40.15, June 44.60, July 44.60 bid. ##Meize — July 3111-312 (3171-), Sopt. 3131-313 (3201-), Dec. 3181-3181-, Morch 326-3261<sub>2</sub>, May 330-3301<sub>3</sub>, July 330-331.

AMERICAN MARKETS

NEW YORK, June 25.

Locos—July 143.95 (144.15). Sept. 149.20 (149.50), Dec. 154.15. March 149.20 (149.50), Dec. 154.15. March 149.20 (149.50), Dec. 154.15. March 150.50. March 20.88, May 150.80, Sept. 162.75:

162.75:

163.90. May 159.85, July 160.80, Sept. 162.75.

163.90. March 20.48, May 204.00, July 20.38 (199.11). Sept. 20.89 (205.34), Dec. 20.80, March 20.48, May 20.40, July 20.38 (199.11). Sept. 20.89 (205.34), Dec. 20.80, March 20.48, May 20.40, July 20.38 (199.11). Sept. 20.89 (205.34), Dec. 20.80, March 20.48, May 20.40, July 20.75. Sept. 189.25.

163.90. March 20.48, May 20.40, Dec. 20.50, July 230.75. Sept. 189.25.

164.5 (208.3) Sept. 208.90, July 20.50, July 20.50, Sept. 189.25.

165.5 (208.3) Sept. 208.90, July 20.50, July 20.50, Sept. 20.80, July 20.75. Sept. 189.25.

165.5 (208.3) Sept. 208.90, July 20.50, July 20.50, July 20.50, July 20.75. Sept. 189.25.

165.5 (208.3) Sept. 20.50, July 20.50,

330,331.

Pork Bellies—July 39 00-38.00 (38 65-38.95). Aug. 36.80-36.45 (36.27-36.52).
Feb. 45.70 asked-45.50, March 45.70 asked-55.5. May 46.55 asked, July 47.42 asked, Aug. 46.42 asked.

All conts per pound or warshouse unless otherwise stated. "\$ per troy cunce. I Cents per troy cunce. It Cents per 55-lb bushel. I Cants per 60-lb bushel. IS per short Jon [7,000] [bs]. \$ \$Can. per metric ton. \$6 \$ per 1,000 sq [cot. ‡ Cents per dozen.

#### **EUROPEAN MARKETS**

ROTTERDAM, June 26. PARIS, June 26. Cocos (FFr per 100 kilos) July 1,4401,480 b/s, Sept. 1,480-1,483 b/s, Dec.

FINANCIAL TIMES

June 25 June 22M'nth ago Year ago

1109.2 1118.2 1060.1 925.4

(December 31, 1931-100)

1.513-1,520 b/s. March 1.520-1.540 b/s. May 1,525-1,550 b/s. July 1.530 bid. Sales at call, nit. Sugar (Ffr per 100 kilos) Aug. 972-973 b/s. Oct. 1.030-1,031 b/s. Nov. 1,025-1,035 b/s. Doc. 1,052-1,079 b/s. March 1,116-1,125 b/s. May 1,128-1,140 b/s. July 1,150-1,172 b/s. Aug. 1,165-1,185 b/s. Sales at call, 13.

DOW JONES

300.96 304.31 279.60 246.44 (Base: July 1, 1952-100) June 25 June 22 M'nth ago Year ago

INDICES

Dow June June Month Year Jones 25 22 ago ago Spot ... 426.82 428.99 390.51 365.65 Ftur's 438.81 440.51.396.26350 38 (Average 1924-25-26=100) REUTERS

June25 June 25 M'hth ago Year ago. 1637.0 1637.5 1579.3 1496.2 (Base: September 18, 1931-100)

COVENT GARDEN (prices in sterling per package, except where otherwise stated)—Imported Produce: Oranges—israeli: Valencis Lates 4.40-5.90; Cypriot: 5.00-6.00; S. African: Navels 4.60-6.30; Brazilian: 5.40-5.80; Lemons—Italian: 100/120s 5.50-6.00; Sapanis: trays 30/40/45 2.40-2.80; S. African: 4.80-6.20. Grapefruit—S. African: 32/64 3.60-5.10; Jaffa; 4.80-5.00. Apples—S. African: Granny Smith 7.30-7.40. White Winter Pearmain 4.50-4.70, Yorks 5.80-6.50, Starking 5.00-6.30, English Produce: Potatose—New Crop

5.50. Starking 5.00-6.30.

English Produce: Potatoes—New crop per pound 0.08. ald crop per 25 kg 2.80. Lettuces—per 12 round 1.03-1.30.

Cos. 1.20-1.40. Mushrooms—per pound 0.50-0.50. Apples—per pound Bramley 0.04-0.09. Rhubert—per pound ourdeer 0.03-0.04. Tomatoes—per 12 pound 2.00-2.10. Cucumbers—tray 8/18s 1.60-

2.40, prepack 2.40-2.60. Cauliflowers—
12s Kent 3.50, Lincoln 2.00-2.50. Spring greens—per crete Kent 1.50, Primo 2.00. Asperagus—per pound 0.70-1.00. Celery—boxes 12/30s 4.80-5.00. Strawberries—per pound 0.15-0.20. Pass—per pound 0.15-0.20. Pass—per pound 0.15-0.17. Bread beens—per pound 0.12-0.14. Chemies—per pound 0.35-0.40.

GRIMSBY FISH—Supply good and demand good. Prices per atons at ship's side (unprocessed): Sheft cod (4.00-f4-50, cod)mgs '(2.70-f2.7c); large haddock C4.50-f5-30, medium f4.70-f5-40, small E3.40-f4-80; large plates and E3.40-f4-80; large plates small E3.80-f4-70; skinned dogfish large [11.00, medium f8.0c; lemon soles 65.00-f7-00; seithe £1.50-f2-40.

FINANCIAL TIMES STOCK INDICES

Gold Mines(Ex-S pm) 161.5 165.1 163.0 161.5 164.3 161.9 106.3 

Earnings, Yld. % (full), 16.07, 16.15, 16.18, 16.28, 16.01, 15.98, 17.63

Equ ty turnover £m; - | 60.11 58.63 83.85 65,83 58,83 57,367

Equity bargeinstotal - 11,197 10,593 11.371 10,948 10,832 13,155

10 am 473.5. 11 am 476.0. Noon 475.2. 1 pm 475.1, 2 pm 474.7. 3 pm 474.7.

Letest Index 01-245 8026.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. Ex pramium index started June, 1972. SE Activity July-Dec. 1942. → Nil =7,62.

Since Compilat

High | Low

127.4 49.18 (9/1/35) (6/1/75)

. (28/11/47) (8/1/75)

558:6 . 49.4 (4/6/78) (28/8/49)

442.3 43.5 (22/5/75) (28)10/71)

**ACTIVE STOCKS** 

150.4

Total bergains ...... 15,481 14,935 14,420 14,147 14,770 15,461

Gavernment Secs...

P/E Ratio (net) (\*). .... 7.93

HIGHS AND LOWS

64.64

66.03

(12/2)

446.1 (12/2)

129.9

High | Low

75.91

77.76

558.6

208,4

Grand Met. New Nil/pd. 9

ICI £1
Ultramar 25p
Cons. Gold Fields 25p
Shell Trans. New 25p

Rank Org. ...... 25p

Stock

BATs Defd. .....

Beecham ...... Burmah Oil .....

LASMO .....

Fixed Interest ....

70.58 70.35 70.60 70.76 70.88

June June June June June June Ayes 26 26 22 21 20 19 age

72,27 72.25 72.55 72.61 72.51 72.74 71.25

475.2 475.4 476.0 474.9 485.1 486.6 456.3 178.4 185.0 185.4 186.8 189.2 183.9 157.6

S.E. ACTIVITY

June 25

7.89 7.88 7.85 7.97

# Small technical rally in Gilt-edged and leading shares contrasts with dull undertone elsewhere in markets

June 4 June 14 June 15 June 26 in £15-paid form. June 18 June 28 June 29 July 10

The late-morning reaction in the pound stabilised the investment currency makes the investment of the investment currency makes the investment currency m "New time" dealings may take place from 9.30 am two business days

The current lack of investment incentive was still apparent in Stock Markets yesterday with fund managers continuing to play uncertain UK economic outlook. However, early covering of short positions generated small public inquiries for leading shares in a market which appeared initially to be oversold and prices responded fairly quickly.

Government stocks shared in the technical recovery despite the late-morning reaction in the sterling exchange rate and held initial gains extending to 3 to the close. The volume of business, however, was only slightly up on the recent low level and the rally owed a good deal to market technicalities.

Awaiting the outcome of the current OPEC meeting, Oils con-tinued in vogue with British Priroleum spear-heading the advance to nearly £13 before easing later. Any increase in world crude prices would hoost revenues of North Sea producers and interested parties, while the official request to reduce exports from this source could help to ease the oil problem facing

Activity in situation stocks relieved the generally torpid scene but features resulting from trading announcements were few. BAT Industries' interim profits were deemed slightly disappointing but the increased dividend payments stimulated interest and brought rises of around 7p in both classes of Ordinary shares. Charting the day's events in the leaders, the FT 30-share index was virtually unchanged at the first calculation, 2.6 higher at 11 am and finally 1.8 up on balance at 475.2. The overall scene, however, was reflected in tage, by six-to-four, over rises in

all FT-quoted industrials. British Funds disregarded the less buoyant pound and the appearance of a few investment buyers soon ensured an extension of opening gains. Business at the shorter end of the market

\*First Declara- Last Account tap, Treasury 121 per cent "A" Dealings tions Dealings Day 1999, regained that much to £141

July 16 July 26 July 27 Aug. 7 recovered from a low of 32 per cent to close only marginally lower on balance at 34 per cent. Rusiness on the whole was again light. Yesterday's SE conversion factor was 0.9051 (0.8924).

> Reflecting the current strength of the Oil share market, a good Traded Options business developed for BP which recorded 152 contracts, and for Shell with 68. Also contributing prominently to a total of 573 deals were RTZ, 140, Consolidated Gold Fields, 54, and Imperial, 63.

#### Banks subdued

major clearing Banks to shake off and prices lethargy strayed from overnight levels. Merchants. tended easier with Kleinwort Renson easing 4 to 130p and Guiness Peat 2 to 98p. Hambros lost 4 to 296p and Hill Samuel cheapened a penny to 104p. FNFC, at 6;p, were unmoved by the interim figures. Among Hire Purchases. Lloyds and Scottish relinquished 3 to 109p.

ful session and displayed no set trend. Gains of a penny were marked against Legal and General, 164p, and Commercial marked Union, 140p, but Eagle Star eased that much to 150p.

Buildings encountered a small scrappy business. UBM reacted 51 to 67p on the rights issue proposal, while lack of support left Brown and Jackson 15 cheaper at 260p. Countryside touched 84p before settling at 81p, 2 cheaper on balance following the interim figures and, despite the chairman's confident remarks about current trading. News of contracts worth £5.2m failed to stimulate interest in Fairclough Construction which held at 66p. A. Monk came on offer and dipped to 52p before a partial rally left the price 2 down at 54p. On the other hand, Royco, ex the capital repayment of 20%, found support and firmed 3 to 45p.

Among Chemicals, occasional interest was shown in Carless Capel which firmed 2 to 46p, but was described as largely technical but sufficient to bring closing James Halstead to 46p. Still in leading Hotels and Caterers. gains of ½, while a smaller but benefiting from a Press mention, more genuine trade among the Laporte added a penny more to Houses Forte improved 2 apiece

#### Burton firm

Another quiet day's business in the Stores market left the leaders hovering around the previous day's closing levels. Burton "A" provided a notable excep-tion, adding 6 to 242p, while Mothercare improved a couple of pence to 178p. Increased interim profits had no apparent effect on Greenfields Leisure, which ended unchanged at 79p. Henderson-Kenton eased back 2 to 99p; the annual results are expected next Tuesday. Rises of 2 were seen in Owen Owen. 11Sp, and Austin Reed "A," 142p, but Vantona gave up 24 to 119p. In Shoes, Stylo hardened 3 to 140p.

Engineering leaders closed on a issues presented a mixed appearance. Fresh scattered offerings left Baker Perkins down 6 further at 149p, while falls of around 5 were marked against Ransomes Sims, 165p, and British Aluminium, 21Sp. In contrast, Adwest hardened 2 to 35Sp on news that Racal had increased its stake in the company to prompted a gain of 2! to 51 p in Westland, while occasional sup-

#### Stonehill up late

on balance at 218p. LCP responded to the good results

GEC failed to hold an early improvement and closed only a penny dearer at 354p, after 359p, while Racal followed a similar trend, ending unaltered at 467p. after 475p. Plessey hardened a penny to 103p awaiting tomorrow's preliminary results.
Among secondary issues in the Electrical sector, Electronic Rentals found support at 192p, up 5, while Decca "A" picked up 4 to 277p. On the other hand, MK eased 5 to 236p in front of the annual results, due today.

With the exception of Tubes. port lifted Simon Englneering 4

Leading Foods failed to maintain early firmness and closed without much change on balance. Elsewhere, a withdrawal of recent speculative support on fading bid hopes left Cartiers 7 cheaper at 123p, after 120p, and lack of interest left Morgan Edwards with a similar fall at 91p. On the other hand, renewed demand in a restricted market lifted Somportex 8 for a two-day gain of 13 to 95p, while Avana ing the annual results

Quiet conditions persisted in the miscellaneous Industrial leaders and movements rarely exceeded a few pence either way. Elsewhere, Stonehill Holdings featured late with a jump of 10 to 158p on the proposed one-forseven bonus issue in 101 per cent Preference shares. Still reflecting the company's North Sea oil interests. Cawoods advanced afresh to 228p before reacting on profit-taking to close 3 higher

and proposed one-for-two scrip issue with a rise of 5 to 118p. while Giltspur, up 3 at 86p, also reflected satisfactory annual results. Holt Lloyd new shares were in demand and put on 71 to 37p premium, with the old 8 to the good at 191p. Gestelner to 37p premium, with the old 8 to the good at 191p. Gestelner "A." however, encountered fresh selling and gave up 5 to 112p, while Davies and Newman also remained on offer at 130p, down 4. Still reflecting favourable trading statements, Elliott Peterborough firmed 2 more to 30p and Paracials. and Renwick Group 3 further to 53p. Caravans International met sporadic support and put on 45 to 77p, while demand in a limited

Canal S to the good at 300p. Dealings were resumed in Central Manufacturing Trading at 76p compared with the suspension price of 75p; the company announced yesterday that recent merger talks had proved abortive but that Hanson Trust, not involved in the talks, had acquired a stake of 11.4 per cent in CMT.

Trident TV A put on 2! to 60p. in response to the interim results. Elsewhere among Leisure issues, scattered selling left Horizon Midlands 7 cheaper at 195p and Barr and Wallace Arnold Trust A 5 off at 115p. Coral however, improved 2 to

Motors and kindred issues

remained subdued, although selected Distributors closed a shade firmer in the presence of a few small buyers. Lex Service added 3 to 90p, while Harold Perry put on 4 at 137p. Apple-yard edged forward to \$8p, and Kennings hardened slightly following favourable Press comment following Monday's mid-term statement. Following news that merger talks had broken down, dealings were resumed in Heron day, after opening at 54p, the shares fell steadily to finish at 46p. Elsewhere, Dowty attracted support and rose 6 to 316p, but

longs helped to stimulate recoveries ranging to 3; the long tap, Treasury 124 per cent "A" 127p. Trade in ICI contracted further, but the shares hardened a penny to 353p. around the overnight levels.

Quietly dull conditions persisted in Properties with Great

Portland Estates and Stock Conversion easing 6 apiece to 294p and 350p respectively. Percy Bilton remained on offer and shed 4 for a two-day fall of 12 to 220p and McInerney gave up 2 to 25p, the latter on consideration of the annual figures. Property Holding and Investment held at 3650 following the re-sults and capitalisation proposals and Evans of Leeds, despite the

#### also unmoved, at 104p.

Oils active Oil shares attracted another active trade, but apart from British Petroleum, which forged ahead further to nearly 1300p before settling at 1285p for a rise of 21, the final tendency was to lower levels. Tricentral closed 6 cheaper at 248p, after touching 258p, while Ultramar finished a similar amount lower at 320p, after 330p. Elsewhere among the more speculative North Sea issues, Lasmo ended 8 off at 256p. In Overseas Traders. Sime Darby hardened a penny to 80p following the disclosure that the company may bid for the 27 per

cent of China Engineers it does not already own; the shares of the latter, dealt in under Special Rule, were called 7 up at 32p. Press comment suggesting that Euro Ferries are unlikely to intervene in the KCA/Euro-canadian dispute with Furness Withy prompted a reaction of 12 to 290n in the last-mentioned. Euro Ferries, however, rallied 7 to 142p. Elsewhere in Shippings,

Following the first half loss and the absence of a dividend, Bond Street Fabrics fell 5 to Other Textiles traded quietiv

Lofs were supported at 56p, up

pleased the market, the 20 per cent dividend increase helping both issues rise 7, the Ordinary to 275p and the A to 252p.

DEALING DATES

Deal- Deal- Declara- Settle-

Jun. 26 July 9 Sep. 20 Oct. 2 July 10 July 23 Oct. 4 Oct. 16

July 24 Aug. 6 Oct. 18 Oct. 30

For rate indications see end of

Share Information Service

tion

First Last

ings

ings

**LONDON TRADED OPTIONS** 

investment dollar influences, Plantations rallied slightly as small buyers entered. Plantation Holdings were particularly good rising 5 to 109p, after 110p, while Castlefield added a like amount to 305p and Bertams closed 3

#### Golds decline

better at 170p.

South African Golds fell away in line with the bullion price and the early reaction in the investment currency premium, but business was at a low level; this was partly explained by the increased annual revenue, were absence of dealers believed to have been celebrating the 60th birthday of former leading gold share jobber, Mr. Arthur share jobber, Mr. Arthur Gardner, now of Akroyd and Smithers.

> Among the heavyweights, losses of a half-point or more were common to West Driefon-tein, £25\; Randfontein, £26\; Hartebeest, £17, and Vaal Reefs,

In the medium- and lower, priced stocks East Driefontein dropped 44 to 725p, Buffels 37 to 751p, and Southvaal 21 to

moved similarly to Golds. De Beers fell 8 to 384p and Anglo American 6 to 366p but "Ameoal" attracted modest Cape support which left the shares 10 higher at 810p. London issues drifted easier owing to lack of interest. A downturn in the free market platinum price prompted persistent selling of platinums where losses of around 8 were seen in Impala, 182p and Rustenburg,

Australians continued to lose ground reflecting the initially lower premium and a fall in overnight Sydney and Melbourne

markets.
Exceptions, however, were the Rundle oil-shale partners which rose afresh on continuing rumours that a U.S. company may provide finance to develop the large oil-shale deposits. Central Pacific climbed 30 to 800p and Southern Pacific 10 to 300p.

Record Ridgway and Marshalls

Universal. A put was arranged in Ladbroke Warrants, while

doubles were done in Premier

Oil, Ultramar, British Land and

**OPTIONS** 

ment

**NEW HIGHS AND LOWS FOR 1979** 

NEW HIGHS (13) STORES (1)

Michael (J.) ENGINEERING (1) FOODS (7) INDUSTRIALS (3) PAPER (1) Money was given for the call in Premier Oil, MFI, Burmab,

Metody Mills
SHIPPING (1)
Lon. & O'Seas Frentrs.
Olls (4)
BP Gas & Oll Acre
Clyde Petroleum Viking Oll Ladbroke, J. E. Sanger, Furness Withy, Thomas Tilling, Lofs, NEW LOWS (127)



#### RISES AND FALLS YESTERDAY

#### **APPOINTMENTS**

# EMI group management changes

made in EMI group management under the new group chief executive **Lord Delfon**t, who is 70 this year. Mr. Robert Upsdell (45) has

been appointed chairman and chief executive of EMI LEISURE the company heading all EMI's leisure operations. He takes over the chairmanship of that concern from Lord Delfont, Mr. Upsdell, a divisional director of EMI, has been managing director of EMI Leisure since November 1977. Lord Delfont remains on the Roger Brooke (48), newly appointed group managing director of EMI, has also joined

the Leisure Board.
Mr. Barry Spikings (39) has been made chairman and chief executive of the EMI FILM AND THEATRE CORPORATION, the holding company for all EMI's entertainment operations. Mr. R. created post of managing director. Mr. Spikings retains his responsibilities as chief executive of EMI Films and becomes chairman of that company. He also succeeds Lord Deifont as chairman of EMI Cinemas and of EMI Elstree Studios. In addition, Mr. Spikings joins the Board of EMI Television Programs Inc., the Los Angeles-based production com-

sibilities as managing director of EMI Cinemas and continues as a director of EMI Films, EMI Elstree Studios, and Columbia/

EMI/Warner. Mr. Richard Mills (48), chief executive of the Bernard Delfont Organisation, EMI's live theatre business, has become chairman of that company, replacing Lord

"It is my intention to remain on the Boards of the companies which I have helped to build up over the years." Lord Delfont said. "Mr. Roger Brooke will also ion these Boards so that we are both readily available to their respective operating manage-

Mr. Lestie Hempel, Mr. Charles Mitchell, Mr. Duncan Mount, Mr. Mark Phythlan-Adams and Mr. Alexander Reid have been appointed to the Beard of SAMUEL MONTAGU AND CO. from July 1,

Mr. Samuel Berg has been appointed a director of AMBER DAY HOLDINGS. He is managing director of Maressa Lingerie.

CHEMICAL appointed Mr. Roger H. Ander-ton as marketing manager LEE STEEL WIRE, a subsidiary Chemical Intermediates, and of arthur Lee and Sons. Mr. Bruce Norman as manufacturing manager Paramins, from July 1. Mr. Anderton joined held a number of appointments TION from July 1, on the for 11 years at in Solvents Division. He is at retirement of Rear Admiral Geneva office. present market support manager. C. K. T. Wheen. Solvents, and he replaces Dr.



Mr. Robert Upsdell

Olefins Operations Co-ordinator in Essochem Europe Inc., Joined Esso Chemical in 1969. He suc-ceds Mr. Michael F. H. Seale who has been made operations and planning manager Agricultural Chemicals in Essochem Europe Inc.

Mr. J. G. Charles White, senior partner of Baillie Gifford and Co., has been appointed an additional director of EQUITY INCOME TRUST and its subsidiary, E. I. Finance.

mr. Mark Snowdon, formerly director, business and product plunning, AUSTIN MORRIS, has been appointed to the newly-created post of director. been appointed to the newlycreated post of director, product
development. He will report for
both product planning and
engineering directly to Mr. Ray
Horrocks, chairman and managing director. Mr. Ray Bates.
director. Product engineering.
Mr. David Wilkie has been
appointed a director and general
space of CHAMPION
SPARKING PLUG. Mr. Terry
Harrison, company secretary, has
also joined the Board, as has
ing director. Product engineering.
Mr. James Schwyn. who is
director of manufacturing,
continues in that position as a
main Roard director. Replacing
Barker has become a member of join the company in July. Mr. and administration. Hodkin has held senior engineer. ing and products planning posts in the former Rootes Group, Ford Motor, and Perkins Engines. Mr. Mike Burnett remains manager, engineering թերութց

Mr. George Lorenz has been elected to the Board of ZAPATA CORPORATION. He was at one time associated with Shell Oil Company and Royal Dutch/Shell.

administration.

Mr. W. D. Church has been

Commander H. J. Pinnock has heen appointed director of the CEMENT MAKERS' FEDERA-



Mr. Barry Spikings

AGEMENT ASSOCIATION. Dr. Oliver is chairman of the Pilkington Optical Division and head of the Pilkington group technical function, He succeeds Professor Umberto Colombo. now president of the Italian Atomic Energy Commission.

Mr. Andrew Barrett has been appointed to the Board of THOMAS COOK LIMITED as marketing director.

Mr. Don Whitehead has been

Mr. David Wilkic has been appointed a director and general manager of CHAMPION main Board director. Replacing Mr. Snowdon as director. Snowdon as director. Barker has become a member of the Board of Champion Sparking Plug Co. (Ireland). Mr. Wilkie is Mr. David Hodkin, who will was formerly director of finance

> Mr. S. J. C. Dick is to become senior manager of BROWN SHIPLEY AND CO, from July 1. Mr. R. J. Clapham will be deputy manager with powers of pro-curation—from that date.

Mr. P. A. S. Grindrod, Mr. P. T. Jennings. Mr. J. H. Macaskill and Mr. R. Slater, who have been associated with SLAUGHTER AND MAY for some time, are to become partners in the firm from

Mr. Nigel Kermode has been appointed chief executive part-ner of BERNDTSON INTER-NATIONAL. A British national. he has been with the partnership for 11 years and is based in the

Mr. H. M. Jackson, formerly Solvents, and he replaces Br.
David J. Sears, who has become marketing planuer for Higher of Pilkington, has been appointed Olefins in Essochem Europe Inc., in Brussels, Mr. Norman, who is INDUSTRIAL RESEARCH MAN- as head of the banking division.

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Option	Ex rc se price	Closing Offer	Vol.	Closing offer		Closing offer	Vol.	Equity close
BP BP BP Cons. Gold Courteulds GEC GEC GEC GEC GEC GEC GEC GEC	1000 1100 1200 1300 240 240 100 330 360 360 420 460	188 88 27 13 31 <sub>2</sub> 2 35 14 4 1	20	306 206 130 80 24 13 61 <sub>2</sub> 51 31 17 11 5	2 18 1 9 4 	276 200 145 29 18 8 67 48 32 23 14	37712 - 14 - 1 - 1	1273p 222p 93p 355p
Marks & Sp. Marks & Sp. Shell Shell Shell Totals	110 130 325 350 375 400	7   51   64   39   10   10   6.	1 42 15 370	12   31 <sub>2</sub>   69   52   38   22		18   10   10   10   10   10   10   10	1 27	381p
BOC Intl. EMI Imperial Gp. Imperial Gp. RTZ RTZ RTZ RTZ RTZ RTZ RTZ RTZ RTZ		3 10 6 2 27 17 9 3	10 10 7 10 60 97	5 15 10 5 - 29 22 12 7	43 	8 20 131 <sub>2</sub> 81 <sub>2</sub> 81 <sub>2</sub> 39 29 20 —	4 1 - - - 3 - 8	75p 98p 98p 92p 274p
REC	ENT	' IS	SUE	S				

# **EQUITIES**

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	FIXED INTEREST STOCKS													
Price 7.	Am unt Paid up	Latest Renund Date	1g Hgh	79 Low			St	took			Closing Price L	+ or		
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F.P,	_	<b>-</b> .	121	10112	P.M.A. Holdings	116
·Nii	22.6	20.7	60nm	40om	Peterson Tennant	40pm
F.P.	:	_	4310	29	Provincial Laundries	38
, F.P.	1/6	29:6	126	100	Pullman (R. & J.:	104
Nil	29,6	20/7	26nm			
! F.P.	11/6	2:7	136			
; F.P.	15/6	27:7	295			
; F.P.	15/6	13/7	156	142	Smurfit (Jefferson)	149
F.P.	4/6	6:7	507			
) F.P.	18/6	9/7	145			
! F.P.	23:5	4:7:	254	210		
F.P.	7:6	13:7	1053.	93	UDS	94
/ Nil			† Z⊥mani	7nm	W.G.i	1100
F.P.	19/6	13/7:	2510	18	Wecks Associates	18
Renune	ation	data i	i Grially	leet da	v for dealing free of stamp dury	h =
d cn	010500	Clue i	ta saliy ka Lima 1		Assumed dividend and yield	z For
	NIJ F.P. NIJ F.P. F.P. F.P. F.P. F.P. F.P. F.P.	Nil 22.6 F.P. 1.6 F.P. 1.6 F.P. 15.6 F.P. 15.6 F.P. 15.6 F.P. 15.6 F.P. 18.6 F.P. 23.6 F.P. 23.6 F.P. 7.6 Nil F.P. 19.6	Nil   22.6 20.7   F.P.   1.6 29.6   Nil   29.6 20.7   F.P.   11.6 27.7   F.P.   11.6 27.7   F.P.   15.6 27.7   F.P.   46.6 67.7   F.P.   49.6 67.7   F.P.   49.6 97.7   F.P.   7.6 13.7   Nil   F.P.   19.6 13.7   Nil   F.P.   19.6 13.7   Renunciation data to the second control of the s	Nil	Nil   -   3pm   1pm   1pm   10112   10112   1012	Ni

based on prospectus estimate, of Assumed dividend and yield, a Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross, T Figures assumed. Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends, § Placing price to public. pt Panco unless otherwise indicated. I Issued by tender. [I Offered to Indicate of ordinary shares as a "rights." I saved by way of capitalisation. §§ Reintroduced, ¶\$ Issued to connoction with reorganisation, merger or takeover. [I] introduction. [I Issued to former proference holders. If Allotment letters or fully-paid allotment letters. ★ With warrants. †† Unitsted security. ‡‡ Issued as units comprising 2 Income Shares and 10 Capital shares at 125p per unit.

### FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

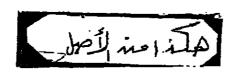
I	l	<u></u> -												
	_	EQUITY GR		Ťı	ies., J	lune \$	26, 19	79	Mon., June 25	Fri., June 22	Titurs., June 21	Wed., June 20	Year ago (approx	
	Fig	& SUB-SEC Tures in parentheses s stocks per se	how num	ber of	Index No.	Day's Change %	Est. Earning Yield % (Max.)	Yield %	Est. P/E Ratio (Net)	index No.	Index No.	Index No.	index No.	Index No.
١	<del> </del>	CAPITAL GOODS ()	72)	2	41.96	+0.1	17.55	5.51	7.46	241L73	243.17	244.08	247.89	296.8
l	2	Building Materials (2	27) :	2	22.78	+0.1	17.98	5.62	7. <b>4</b> 2	222.61	225.32	226.51	230.12	184.9.
ı	3	Contracting, Constru			58.14	-0.4	25.04		5.03	359,66	360.92 576.01	362.84	365.61 590.64	332.7
ł	4   5	Electricals (14) Engineering Contract			74.52 62.00	+0.2 +0.4	13.43 20.02	3.23 6.34	30.26 6.48	573.20 368.56	360.51	574.03 365.41	368.33	437.9
ł	6	Mechanical Engineer			84.14	+0.1	17.94		7.24	184.01	184.95	186.66	188.21	266.9
l	.8	Metals and Metal For CONSUMER GOOD	rming(16) S		67.54	+9.1	19.27	8.93	6.51	167.37	168.26	168.25	169.93	159.3
ŀ	11	(DURABLE) (52)			30.53	+9.1	15.13	4.80	8.71	230.19	231.56	23L63	233.89	190.8
ľ	12 13	Lt. Electronics, Radio			14.48	+0.2	11.90	3.59	<u>꾸</u> ??	313.94	315.00	315.10	317.77	224.2
ı	14	Household Goods (12 Motors and Distribute			59.99 18.09	+0.1 +0.1	17.47 21.84	7.01	7.67 5.60	159.88 117.96	161.46 118.55	161.94 119.18	162,66 120,83	171.6 121.0
ı		CONSUMER GOOD			10.03	70.2		, ,,,,,,	)	120.70	. س	347-38		
ı	21	(NON-DURABLE) (	71)		34.06	+0.4	16.16	5.57	7.85	233.89	234,67	235.40	238.48	1913
ı	22	Breweries (14)		Z	70,75	+0.3	15.04		7.96	270.00	270.43	270.79	275.02	219.5
J	23	Wines and Spirits (6)		3	00.80	+0.1	15.62	4.80	9.33	300.40	300.40	302.91	305.72	246.9
-	24 25	Entertainment, Cater Food Manufacturing	1Ng (17) (10)	3	06.66 14.80	+13	16.22 18.37	6.57 5.89	8.12 6.76	302.74 213.79	303.69 214.46	392.34 215.69	318.07 218.05	244.3° 190.6
	26	Food Retailing (15)	(±7),,,,,,,,,	2	95.20	+0.5	11.89	4.03	10.45	293.62	292.96	293.76	297.14	196.6
	32	Newspapers, Publish	ing (12)		29.77	+0.3	21,74	6.08	6.53	428.45	429.68	43L54	433,99	357.3
Ì	33	Packaging and Paper			28,48	-0.2	22,12	8.30	5.86	128.75	129.14	. 129.82	132.86	1317
•	34	Stores (41)			35.84	+0.1	11.97	415	11,17	235.69	239.39	239,64	241.74	174,7
0	35 36	Textiles(23)			64,64 39,70	+0.3	21.86 23.69	9.18 8.22	5.85 4.85	164.15 236.69	164.94 238.68	165.30 241.26	168.52 244.23	1706
Katio	37	Tobaccos (3)			74.64	+1.5	30.32	8.73	3.96	74.63	74,46	-75.59	75.59	238.4 104.7
۱ ٔ	41	OTHER GROUPS (9	9)	2	02.12	+0.3	15.73	6.08	7.88	201.59	202.23	203.28	296.46	192.2
6	42	Chemicals (18)		2	85.71	+0.4	17.75	6.61	. 6.58	284.61	286.00	286.94	253.22	276.5
٠,	43	43 Pharmaceutical Products (7)		2	17.23	+0.3	12.65	5.03	9.84	216,62	216.50	217.30	220.93	250.8
. 1	44		***************************************		18.84	-0.4	17.24 10.18	6.61	731	119.31 453.52	119.93 458.74	12L07	125.69	127.4
	46	Miscellaneous (58)			57.09 40.34	+0,8	16.15	5.92	8.06	239.93	240.33	460.11 242.04	464.80 243.61	4125 197.6
- 1	49	INDUSTRIAL GROU	P(494)		521	+0.3	16.32	5.62	7.81	234.55	235.88	236.71	249.04	2033
٦,	51	0ils(6)			02.09	+0.4	11.23	2.99	9.46	699.54	678.20	666.89	654.39	440A
ŀ	59	500 SHARE INDEX			72.56	+0.3	15.36	5.12	8.08	271.75	271.47	271.38	273.58	226.2
٠ ا	61	FINANCIAL GROUP			1756	-0.3		5.40		128.04	189.30	1,88.90	192.56	156.9
r	62 63	Banks(6)		2	31.17 52.98	÷0.5 +0.5	28.81	5.02	4.48	232.33	230.73	231.58	236.94	1117
٠,	64	Hire Purchase (5)	************************	Z	62.30	-2.0	20,47	7.25 5.33	6.29	251.72 165.53	250.99 145.46	250.57 163.99	250.89 165.78	203.0 139.2
- Į	65	Lingurance (Life) (ID)	L	170	54.97	-0.2		6.56		155.23	157.A5	156.38	161.13	128.5
:	66	Insurance (Composite	(8)		21.47	·+0.5		7.43	<u> </u>	126.91	123.70	122.55	126.86	121.5
- 1	67 68	Insurance Brokers (1 Merchant Banks (14)	U)	2	51.48	-0.6	19.21	7.02	7.45	263.04	268.41	268.63	275.24	326.3
:	69	Property (42)			%.15 34.69	-12 -03	3.16	5.44	48.40	97.32	97.44 337.72	97.51	9813	77.8
-	70	Miscellaneous (10)		1	21.22		15.35	7.36	8.35	335.78 121.18	121.41	336.08 121.46	339.18 122.45	2251 1031
. 1	71	Miscellaneous (10)	1)	2	0.02	-0.2		5.29	<del>                                     </del>	218.42	210.89	212 10	213.44	253
1	81	Mining Finance (4)	********		19.37	-0.8	16.73	6.31	7.26	120.37	123.15	126.44	129,47	962
'n	91	Overseas Traders (20	/	<u> </u>	55.34	-0.2	15.58	6.95	8.15	356,02	355.50	356,81	359.A5	301.1
r	77	ALL-SHARE INDEX	(/50/,	Z	16.46	+0.1	· —	5.24	ı —	248.10	248.33	248.40	250.94	2043.
ı							_				1	ī	-	
- Ì		EIVER (UT	ENFET -				- 1	7.0	AIET KED IKI		. 1	Tues.	Mon.,	Year
┇╏		FIXED INTEREST PRICE			DIÇES	•	Ī	Re. (		Gross-Red		June	June	300
- [							[		-HO AN	OI 073- 1456	• -   -	26	25.	(spprox
1		Tues. Day		Davide	T	<u> </u>	adi	1 Low		5 years		10.58	18.65	8.5.
-	i	British Government	June	Day's	nd 2		174	2 Compan		15 years		11.17	11.22	. 8.% 11.11
:			26	<b>%</b>	]	i to	date	3		25 year	<u></u>	11.70	21.74	11.8
Į	,	Data San	70000	<del></del>	┼	<del></del>		4 Medius		5 years:		12.40	12.48	11.6
٠ ا	1	Under 5 years	194.79	+0.23	-	.   '		5 Coupon		15 years		12.72	1277	12.34
- 1	2	5-15 years	213.55	+8.35	I -	.   !	~~~ }_	6		25 years.:.		12.72	12.77	32.47
:	3	1. 1. 1		+0.38	l _	.   -		7 High	High			12.66	12.78	31.8
- 1	4	1 - 1 1 1			1		1 4	B Coupos		15 years		13.06	ן זונו	12.8
1	-							9		25 years		13.06	<u> 1111  </u>	<u> 130</u>
1	5	5 Alistocks			<u> </u>	<u>. } </u>	5.87	D Irredee	mables	<del></del>		11.48	11.52	32.0
- 1														

Mon. June 25

Investment Trust Prefs. (15) 48.38 13.79 48.38 48.38 48.38 48.38 48.25 48.07 48.98 51.29

Coml. and Indl. Prefs. (20) 69.10 13.03 69.10 69.10 69.10 69.10 69.53 69.52 .70.04

20-yr. Red. Deb & Loans (15) 56.92 | 13.04 | 56.92 | 58.96 | 56.96 | 67.00 | 58.51 | 58.54



# AUTHORISED UNIT TRUSTS

303 +01 467 363 +01 467 377 - 522 514 +01 451 723 -01 468

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超出器

501 +01 377 1101 -07 559 499 -07 444 6534 -07 444

Managers Ltd. 64A 623 9231 6031 \_\_\_\_1 4.60

Unit Mgmt, Co. Ltd. :C2V 7JA. 01-623 6376 ond 1285.0 195.0 1 8.90

bers & Ca., Ltd. 9 (a)(x)
St., Et 3. 01.588 2830
2005 2768 415
2005 3768 415
Lext sub. day Jane 27.

nst Management (a)(g) Buildings, London Wall

Manual Control of the Control of the

75

rey & Ress Unit Tst. Mingrs. London EC3V 3PR. 01-623 6314. Tel. |980 103.11 | 12.25

ritro Greup (a) (g)

Friends\* Proveit. Unit Tra Mgrs. V
Philam End, Dorking. (2005 5055
Friends Prov. Uts. (47.9 51.24 1.70
Do. Actum. (642 645 1.70

Funds in Cetart\*
Public Tracke, Kopsaray, WC2. 001-405-4300
Capital June 21. 1007.3 108.4 451
Gross Inc., Jane 21. 778.1 93.5 93.6 451
High Yield June 22. 179.8 93.9 93.9 93.9
\*\*Usatah, Restricted in samles under Capit Control.

S.T. Unit Managers 111 (9)
16 Firstony Cheus, ECZM 700 (1628813)
6.T. Can. 101. 101.8 102.7 -0.4 2.90
6.T. Can. 172.8 132.7 -0.4 2.90
6.T. Inc. 112.4 133.3 -0.8 32.0
6.T. Inc. 112.4 133.4 148.8 -1.4 1.50
6.T. Far End & Gen. 41.1 42. -0.1 3.50

Grishs (Antany) Unit Tst. Mgs. Ltd. Gr 3 Frederick's Pt., Old Jewy, EC2 01-588 4111 Extra Income 329 46.6 950 Income 429 46.6 950 I

Suurdian Royal Ex. Unit Mgrs. Lid.

— <u>第</u>5

Hill Samusel Unit Tat. Mgrs. (a)
45 Beech St. EC2P 2LX
(b) British Trost 1593
(c) Coloist Trost 703
(d) Coloist Trost 703
(d) Flower Trost 703
(d) Flower Trost 703
(d) High Yield Tst. 202
(d) High Y

Investment Intelligence Ltd. V(a)(g)
15, Christopher Street, E.C.2. GL-247 7243
Intel Inv. Fund. 22.6 3211 + 0.2 6.60
intel Pacific Fund \_ 53.4 57.4 + 0.2 0.70

Key Frand Managers Ltd. (a)(g) 25, Matte St., ECZV 81E. 01.606 7070 25, Matte St., ECZV 81E. 01.606 7070 25, Matte St., ECZV 81E. 01.606 7070 26, Matte St., ECZV 81E. 01.724 40.3 4.57 6, Matte St., ECZV 81E. 01.724 40.3 4.57 6, Matte St., ECZV 81E. 01.724 40.3 12.44 40.3 12.44 40.7 Sanal Cor. Fd. 119.6 127.2 40.3 12.44 5.27 6, Matte St., ECZV 81E. 119.6 127.2 40.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.27 6.3 12.44 5.3 12.4

AMEV/Frankspins America

Royal Exchange, EC3P 3DN 01-628 8011 (ag) Guardioli Tex. | 103.9 107.64 +0.24 4.14

0277 21.7238

题 — 35 35 35

| Securities Ltd. (a)(c) | Securities Ltd. (a)

Quilter Management Co. Ltd. 9
The Stock Exchange, EC2N IMP. 01-600 4177
Quadrant Sen. Ed. 1221 3.21
Quadrant Income. 141.6 146.0 3.23 Mutual Unit Trust Managers# (a)(g)
15 Coptral Are, EC2R 78U, 01-606 4803
Mutual Sec. Plus 55,0 58,6cl 627
Mutual Inc. 75, 74,4 79,3 +0,3 73,1
Mutual Bine Only 46,5 50,8 -0,1 6,1
Mutual High Yid 58,2 63,1 -0,1 8,55 National and Commercial

37, St. Andrew Square, Edinburgh. 031-556 8555.

Incomer June 6. 163.4 169.8 1 5.72

(Actum. Jules). 251.8 30.4 55.4 7.80. Gatebouse Rd., Apterbury. 0276 5941.

Capt. May June 20. 137.6 462.6 325

(Actum. Jules). 175.6 175.6 32.6 32.6 175.6 175.7 175. National Provident Inv. Mngrs. Ltd. 9
48, Gracechuch St., EC3P 3HH. 02-623 4200
N.P.I. 6th Un Tst. 522 56.64 475
(Accum. Units)\* 672 773 475
(PI O'seas. Trust. 1284 135.9 240
(Accum. Units)\* 0391 1472 2 240
(Accum. Units)\* 0391 240 240
"Prices on June 19. Next dealing July 4. National Westminster (a)
161, Cheapside, EC2V 6EU.
Capital (Accom.) 770.3 75.3
Extra Inc. 66.7
Firstocial 34.8 37.
Growth Inc. 38.6 5.1
Income 34.7
Fortfolia Inc. Fd. 773.5 76.9
Universal Fd. 44.2 NEL Trust Managers Lint (a)(g)
NEtto Court, Dorking, Surrey.
Nelstar High Inc. 492 5171 -021 816
Nelstar High Inc. 492 5171 -022 816
Nelstar High Inc. 492 5171 -021 816
Nelstar High Inc. 492 5171 -021 816
Nelstar High Inc. 492 5171 -021 816 38.44 27.4 -0.1 453 70.4 -0.2 2.94 Pearl Trust Managers Ltd. (a)(g)(2)

Pearl Trust Managers Ltd. (a)(g)(2)

Pearl Growth Pd. 33.1 273 -0.1 505

Pearl Growth Pd. 33.1 273 -0.1 505

Pearl Inc. 34.6 37.3 7.3 7.52

Pearl Unit Td. 37.2 40.1 5.73

(Accoun Units) 49.8 33.6 5.73 57.9] -0.3] 7.47 ## ## ## | Accorn. Units. | 147.8 | 53.6 | 5.73 |
| Pelican Units Admin. Ltd. (g)(x) |
| S7-63, Prices St., Manchester. | 061-236 5885 |
| Pelican Units | 197.5 | 106.9 + 0.4 | 4.61 |
| Perpetual Unit Trust Mingmt. (a) |
48, Hart St., Hesley on Thames	04912 6868		
Pretrais Go. Lin.	54.7	58.8	4.31
Pretrais Go. Lin.	54.7	50.0	4.30
Practical Invest Co. Ltd. (y)(c)			
44, Bloomshay Sq., WC1A 2RA	01-623 8893		
Practical June 20	155.5	14.50	14.36
Account Units	226.8	240.5	14.36
Practical Line 20	155.5	14.50	14.36
Practical Line 20	155.5	14.50	14.36
Practical Line 20	155.5	14.50	14.36
Practical Line 20	155.5	14.50	14.36
Practical Line 20	155.5	14.50	14.36
Practical Line 20	14.50	14.50	14.50
Practical Line 20	14.50	14.50	
Practical Line 20	14.50	14.50	
Practical Line 20	14.50	14.50	
Processive Line 20	14.50	14.50	
Processive Line 20	14.50	14.50	
Processive Line 20	14.50	14.50	
Processive Line 20	14.50	14.50	
Processive Line 20	14.50	14.50	
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Processive Line 20	14.50	14.50	
Processive Line 20	14.50	14.50	
Proces 82.11 -0.51 3.60 77.59 -1.14 3.67 39.24 +0.11 3.87 72.11 -0.71 2.39 U.S. 67.1 Commercity 88.9 Energy. 85.5 Financial Secs. 67.8 High Minimum Funds Select Income. 57.8 95.5 -0.71 3.81 91.9 -0.21 2.36 75.000 -0.81 4.04 25세-미 34 Exempt Fundsh			
Exempt Income\*\_\_\_\_176.7 186.5-d ...... 7.96
Exempt Income\*\_\_\_\_129.9 274.4 di ...... 2.87
"Priots at June 13. Next sub. day June 27.

Schlesinger Trust Mngrs. Ltd. (a) (c) (g) Tower Unit Trust Mngt. Ltd. (10, 50th Street, Dorking (1006) 86451 39,45 Fiesthry Sensire, EC2A 1PX 01-628 2294 An. Growth 26.8 750 -0.1 3.63 Income & Growth 122.9 24.5 28.7 30.2 10.1 3.63 Income & Growth 122.9 24.5 24.5 27.5 Trades Union Unit Tst. Managers V Exempt Mid. Ltds. 27.2 30.2 10.1 3.7 100, Wond Street, E.C.2 01-628 20.1 Extra line 15. 20.1 5.4 10.1 3.7 100, Wond Street, E.C.2 01-628 20.1 Income Brs. 40.2 10.1 3.6 10.1 4.85 10.0 4.0 10.1 4.85 10.0 4.0 10.1 4.85 10.0 4.0 10.1 4.85 10.0 4.0 10.1 4.8 10.0 4.0 10.0 4 (306) 88671 (306) 88671 (207) -011 347 (307) -013 -17 (307) -013 -17 (307) -013 -17 (307) -013 -17 (307) -013 -17 (307) -013 -17 (308) -023 -Tyndail Managers Ltd.

Tyndail Managers Ltd.

IB, Canyope Road, Bristol.

Iscome June 20. 99.4

Cacum. Units. 179.2

Cacum. Units. 2007

Extract. Units. 2007

I Accum. Units. 2007

Accum. Units. 2007

Accum. Units. 2007

Accum. Units. 2007

Scot. Car. June 20. 173.2

Scot. Car. June 20. 173 Setagl (accord to 1.1d.)

Security Selection 1.td.
15-19 (Locality Ind Fields, WC2 01-831 6956'9

Unit 6th 12t Acc 124.8 26.9 -1.2 4.71

Unit 6th 12t Inc 120.5 21.90 -0.9 4.72 | Accom. Units. | 178.0 | Lendan Wall Erosp | Capital Erosp | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19.9 | 19. Accum. Units. 115, 9 -1.21 4.13
Dealing Tives, & Fr. 'Wed.

Sun Alliance Fond Mingt. Ltd.
Sun Alliance Fond Mingt. Ltd.
Sun Alliance Horsham.
Exp. Eq. 172, June 131(26.6) 280.71 -0.33 3.66

Target Tst. Mingrs. Ltd. 9 (a) (g)
31, Greston St., £C2. Dealings: 0.296 5941
Commodity. 68.2 47.4 1.00 -0.3 4.39
Emingtal 68.2 47.4 -0.3 4.39
Emingtal 68.2 47.4 -0.3 4.39
Emingtal 68.2 47.4 40.0 -0.3 4.39
Emingtal 68.2 47.4 40.0 -0.3 4.39
Emingtal 68.2 47.4 1.00 -0.3 4.39
Emingtal 68.2 48.3 51.6 4.3 7.08
Emingtal 68.2 48.3 51.6 4.3 51.6 4.2 2.32
Professional June 27. 16.2 17.2 4.0.7 3.60
Professional June 27. 16.2 2.72 3.3 -0.1 9.68
Professional June 27. 16.2 2.72 3.9 0.1 5.32
Target Tst. Mgrs. (Scotland) (a) (b) TSB Ushir Trusts(y)
21, Chantry Way, Andouver, Hants. 0264 62188
Deallogs to 0264 63432-3
(h) Da. Accum. 657
(b) TSB General 657
(c) TSB General 657
(d) TSB Genome 667
(d) TSB Genome 669
(d) TSB Genome 6 Unit Trest Account & Mgmt. Ltd.
King William St. EC4R 9AR 01-623 4951
Friars Hee. Fund 43.6 46.8 41 441
Wieler Grith. Fed 31.3 33.0 4.61
De. Accum. 31.5 39.5 4.61 Accum. Units | 226.8 | 240.5| | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436 | - | 436

**BONDS** 

Rothschild Asset Management St. Swithins Lane, London ECA. 01-626 4356 N.C. Prop. 1224 135, 791 138 Real cup, period June 29, July 13.

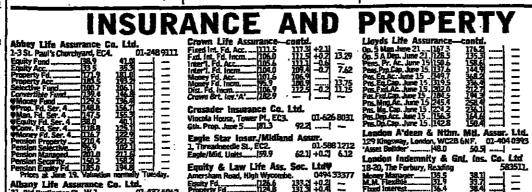
0232 35231 40.2| +0.2| 5.65

Hispano 1150.04 4625+432 1.60
Clive Investments (Jersey) Ltd.
P.O. Box 320, St. Heller, Jersey 0534 37361
Clive Gift Fd. (L.L.) 180.5 10.28 11.68
Clive Gift Fd. Usy. 110.25 10.28 11.67 

Euroband Holdings N.V. Handelskade 24, Wilemstad, C

**OVERSEAS FUNDS** Kentp-Gee Managemi, Jersey Ltd.
1 Charing Crost, St. Heller, Jersey. 9534 73742.
Capital Ford 111 9 1153
1 scome Fund 64 66 45 218
Git Bond 11,025 1,069 | Banque Braxelles Limbert | 2, Ree De la Regence B 1000 Brazels | 809 B | C.P.D. Ser. 590. 1998 | Krys. 1999 | C.P.D. Ser. 590. 1999 | C.P.D. Ser. 1999 | C.P.D. 

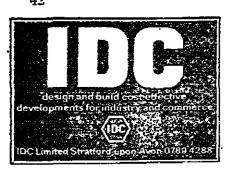
OFFSHORE AND



| 12.60 | 13.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | 14.5 | Martagers moor Advances unit in a service of the control of the last C. Ltd. 
General Portfolio Life Ins. C. Ltd. 
Portfolio Fd. Acc. 160.2 160. Reignte 40101

Americas IIII. 106-si - III. 106-si

FOOD, GROCERIES-Cont.



# 42

ΙD	CLir	nited Stra	dord up	on Avor	:07	89 42	88	23 40	22	Antofagasta Rfy Do. Spc Pref
			_		_		<u></u>	98 31 35	98 18 24	Chilean Mixed Chinese 41-pc 1898 Do. 5pc 1912
		BRIT	1SH	FUN				20 430	.121; 400	: 10a. 5pc 1925 Baye:  German Ynn, 41-ac.
197 High	j Low	Stot	k	Frice	+ *	Int.	eld . Red.	52 51 42	40 38 38 42	Greek 7pc Ass Po tpc 28 Stab. Ass
24	Sho	rts" (Li	ves up	to Fi	vе	Year	rs)	52 68 901 <sub>2</sub>	68	Do 40c Mixed Ass Hung, '24 Ass Iceland 61-pc '85-88 Ireland 71-pc '81-83.
931 <sub>2</sub>	945 <sub>3</sub> 953 545	Treasury 300 Electric 414	紫菀	975 974 991		3.07 4.35	13.75	873	781 <sub>2</sub>	freland 7: pc '81-83.
790%	515° 961	Electric 444 Treasury 164 Electric 34st Treasury 96 Treasury 91s	791 c 76 79	964		1 5.55	12.75 12.75 12.75 12.63	390 73	262	Do 93 pc '91-96 . Japan 4pc '10 Ass Do 6pc '83-88
25.2	95 g 95 g	Treasury 91 <sub>2</sub> Treasury 91 <sub>2</sub>	o. 30±	9712 9714 953		9.76	12.63	160 750 501:-	135 150	Peru Acs.3pc S.G.I. 6 <sup>1</sup> 2pc 1980 Tutin 9pc 1991 Turin 6 <sup>1</sup> 2pc 1984.
97.3	92 s	Treasury 3420 Funding 5420 Exchanger 12		96% 100.5	+14	5.45 12.95	7.99 9.21 12.47	DM91	DM9 95	Turin 61 pc 1984. Uruguay 31 pc
7,071,11	QC II	Treasury 111 <sub>pp</sub> Treasury State Treasury State	r 1981⊈. 1979-31.				11.85	"		S. \$ & DM prices
96.4	591-	Exch. 8 4pc Exch. 9 4pc	1701	95.2 94.3 95.2 885.2	<b>+</b> i	8.72 9.94	11.40	,,	79	AME
984 91 963	34 . 96	Exch, 3pc 19 Treas, Variab	161 le '8165.			9.94 3.38 14.04 12.64	8 92 14.74 12.27	High	Log	•
96 à 104);	97.7. 88	Exch. 3pc 19 Treas. Variab Erch. 12 apc Treas.81-pc	: 1981# 80-82#.	1007 931 353	‡15	됐	1 11 49	20¼ 59	1 59	ASAAMF 5% Conv. 87
100	ING.	Treasury 140	8.4	1031 <sub>2</sub>	+3	盛	9.20 12.38 15.13	婡	<b>談</b>	Amax 51
977	Marie I	Treas, Variab Treasury 8 <sup>1</sup> 4 Exch. 9 <sup>1</sup> 4pc	1402	1037, 9613 911410 9214 91511	+14 +14	9.04 10.03	1 11 77	261 241 1438	1474	Amer. Medic. Int.
25.5	\$ <del>?</del>	Esch, 83 pc 1 Exch 3pc 183 Treasury 12pc	1965			9.57 3.70 12.17	12 17 11.76 9.23 12.43	271, 184 295	짫	Baker Intril. Corp. \$1 Barne: Grp. \$62; . Bendix Corp. \$5
10+3 10+3 45	91.	Treas. 12pc Treas. Variab Treasury <sup>91</sup> 4	83 Att	981, 945,	+:: +:: -::	1227	12.43 12.55 15.62	175	1114	Bendix Corp. \$5 Beth, Steel \$8 Brown'g Fer. c162 <sub>3</sub>
97. 98. 891.	S41.	Treasury 91 <sub>4</sub> Exch, 10pc 1 Funding 51 <sub>2</sub> pc	983	9814 945 9214 8214 834 834 834	+14	10.14 10.84	12.30 10.03	11 38	1627-	Reserved Cares II
93,5	/84	אניכ פחוטחעדן Five to		0.54m	ars			417. 38 463.	鋭	Burroughs Corp. \$5. CBS \$2.50 C.P.C. \$1 <sub>2</sub> Caterpillar
50½	497. 931.	Trees.12pc/84	(£50pd.)0 1985	50	±;*	1232	12.69 12.75 11.29	463s 234 175	iii	Chesebrough \$1
3325 G	89. I	Treasury 8º200 Exch. 13º400	1987	86 gal 101at 787 30 d	+1 +1	9.81 13.00 2.35	11.29 12.85 10.75	8425 191, 111,	199	Citicoro \$4
84°3 88°5 70°8		Funding 61300 Treasury 73200 Transport 3p		80m 80m	13	9.61	11.34	18) 14%	134	Do. Cm. Pri. B\$1. Colgate-P. \$1 Colt Inds. \$1
1132	딺	Treasury 5pc Treasury 13oc	1990#	80 d 62 4 d 67 4 100 3 d	#1. #1.	7.49 12.87 10.50	1031 1282	287	214 <sub>2</sub> 144 <sub>2</sub> 185 <sub>8</sub>	Cont. Illinois \$1 Cont. Illinois \$10.
3914 1061-	6A I	Treasury 81 <sub>2</sub> Treasury 11 <sub>4</sub> Funding 5 <sub>4</sub> 0c	77.4174	78°s 92'-21 67's	+14	12.65 8.72	11.77 12.95 10.96	15.	184 20	Crown Zell, \$5 Eaton Crp. \$0.50.
1881	59°-	Esch. 11pc 1	991	97	+78	1243	끉뿄 12%	191. 191. 101.	137 <sub>2</sub> 266 <sub>2</sub> 655p	Esmark Exxon    Firestone Tire    _
1076	75 . 86 . 89 .	Treasury 12% Treasury 10p Exch. 12% Teessury 12%	C 1992	87 991 965 6334	+ 15 + 15 + 15	11.97 12.84 12.86	12.63 12.98 12.94	275	874o	IFIrst Chicagoi
691g 1197a	54° -	Treasury 1215 Fundang 6pc Treasury 1216	1993# x 1993#	63 4 105 4	+1, +18	9.67 13.17 13.39	11.46	32 19	瓷	IGATX
121%  9	9934 [	r lierenta 74.5	∝ %#.↓ Fiftee			13.39	13.18	375 2015 55%	瓷	Gen. Elect.\$212 Gillette \$1 Honeywell \$1.50 .
		Eych, 121 pc	1994	100% 78%	+3-	12.94 11.60	13.01 12.25	덁	9000	Hutton E.F I.E.M. Corp. \$5 Ingersoll-R \$2
1067	35 · (	Treadity 120 Cus Tor 90 9	575	475	+1.	12.78	1292	3774 854p 147 <sub>2</sub>	6420	R. U. Internationalli J
951-17 1051-17 855-1	/5°	Exch. 104oc Treasury 123a Treasury 9oc	1995	83 l <sub>an</sub> i 300 7834	+ኤ ተት ተነ	1223 1244 1181	12.63 12.95 12.39	341	72	Kaiser AI, \$1 <sub>3</sub> Mami. Han. US\$7 50 Morgan (JP) US\$2.5
124011	07 s	Treasury 15% Exchequer 13% Redemption 3px	x x x	103	12	13.52 13.06	13.30 13.02	14.	9836 9836	Norzen Sinten Inc. \$1 Owens-III. \$3, 125 Quaker Gats US\$5
177.31	: <u></u> 1	I ceasily 15-4	P: ". H	461g 1001 <sub>22</sub> 1 8776	+15 +16	13.07	9.49 13.05	20%	3917	Ren. N.Y. Corp. SS.
833-8	66	Exchequer 10 Treasury 8 apr Treasury 6 apr Treas 15 apr Exch. 12pc 1	1997# 95 98#	454	114	12 46 11 84 11 08	12.75 12.37 12.02	141 <sub>4</sub>	8872 10E	RichdsoMrtll.\$114
1785 1 108-	06 a	Treas, 151 po Exch. 12pc 1	98#	1191 <sub>8</sub>	+38	13.44 12.85 12.11	13.25 12.92	211; 528p	191 <sub>2</sub> 4050 2014	Rockwell Int Saul (B. F.) \$1 Shall Ou S1
106	¥:	Extr. 12pt 1 Treasury 91-px Exch. 121-px Exch. 12pt 994 ( Treasury 101-y Exch. 12pt 9 Treas. 131-pc 9	1999 1999	78% 97 143	***********************	諁	12.46 13.01	26 929p 364 274	746	Shell Oil \$1 Singer (\$10' Sperry Rand 59.50 .
が. 107 名	7	Treasury 101 - Exch. 12pc	x 1999. 9-02	85 ° 925 <sub>30</sub>	+3 <sub>E</sub> +3 <sub>S</sub> +3 <sub>S</sub>	12.52	12.92 12.73 12.90	2714	194	TRW Inc. \$114
뿠	2	ireas. 13 anc : Treasury 111 y Funding 31 <sub>2</sub> p	2000-03. c 01-04	905.	+1-	13.09 12.83	13.05	9290 191,	54 Ip 13%	Do 10% Lo. St. 91-95 Terara Pt. USSO 16-3 Texaco S6.25 Time Inc.
951. 195. 195. 195. 195. 195. 195. 195.	Š.,	runding 3-sp Freasury 121 <sub>3</sub> Freasury 50 <sub>30</sub> c	x 03-05	37 d 98 4 68 4 487	+ 18 + 13 + 14	9.42 12.89 11.95	10.82 12.89 12.19	3215 134	195 9250	Time Inc Transamerica S1 .
2	別	Treasury 51300 Treasury 7300 Exch. 1200 1	08-12#. 12-15#.	487 637 953 953	+14 +14	177 64 I	12.12	视	战	U.S. Steel \$1 Woodworths \$31. /
			Undate	ori		12.65	12.65	捌	鷋	Transamerica S1. Utd. Tech. SUS5. U.S. Steel S1 Woolworths S31 <sub>2</sub> J Xerox Corp. \$1 Zapata Corp. 25c.
35, 2	81. (c 28. (	Consols 4pc War Loan 31 Conv. 31 pc 'c Treasury 3pc Consols 21 pc Treasury 21 pc	pc#	31% til 311, 35% 24% 21% til 20%	+եց +եց	1250	=	S.E.	List	Premium 1014% ( Conversion facto
35% 3 38% 3 26% 2	왔	Conv. 31 <sub>3</sub> pc to Freasury 3pc	66 Aft	35% 24%	+l <sub>3</sub> +l <sub>3</sub>	9.99 12.53	=			CANA
224 1	8×	Consols 21200 Treasury 2120	£	20%	+1 <sub>2</sub>	11.53 12.48	= j	16°3  '15°3	Tn	Bk. Montreal \$2 Bk. Mova Scot
	IN	TERNA	TIO	NAL.	ВА	NK		받	1214	Beil Canada \$813. Bow Valley [
85   8	80 J	5pc Stock '77	-82	<b>81</b> 12 [		6.86	12.22	121; 19; 16;8	쓷	Brascanii
	CO	ORPOR	ATIO		A	VS	ł	444.1	28	Do. 4pc Deb. 5100
963 <sub>2</sub> 8 923 <sub>4</sub> 8	191 <sub>2</sub>   151 <sub>2</sub>	Birm'ham 91ap Bristol 77apc 5.L.C. 121apc Do. 121apc 1 Sigsoow 97apc Herts. 57apc 1 Liverpool 97ap Liverpool 97apc 1 Log Co 55apc 1	x 79.81. 79.81	93 <b>89</b> 1 <sub>4</sub>		9.95 8.68	13.13 13.16	287 6750 2675 175 385 18	物,	Hawker Sid. Can.li Hollinger 55 Hudson's Bay
10312 9	751.   751.	G.L.C. 121 <sub>2</sub> pc Do. 121 <sub>2</sub> pc 1	82 983	981	+14	鰀	12.89 13.05	385 18	29° 13°a	Hud B.Oil G. \$21 <sub>2</sub> Imperial Oil[]
1004 9 95 95 98	20-4 26-4	agoga Pape Herts, 51ape Liverpool 9), o	76-30 6'80-82	933 <sub>4</sub>	+14 +14	10.22 5.60 10.95	12.80 12.73 12.82	155 <sub>8</sub> 740p 800p 202p	5800	ini. Nat. Gas \$1
	47.	Do. 3 pc im on Co.6 pc Do. 9 pc B	ed 80-82	25 Jul	-3,	10.95 13.79 7.67	1267	202p 241	1230	Massey Ferg.   Place Gas \$1 Rio Algora
931-15		00. 93µpc °8 ` 00. 51يpc '2' '2' ×-15 ما	4-85 77-81	90 861 77.3	-ī <sub>2</sub>	10.53 6.36	12.05 12.62	241, 26 s 221,	15). 17). 15).	Royal Bk.Can. \$2. Seagram Co. C\$1

23° 19° Consols 2° pc	215 to +1; 1153 — 205; +1; 1248 —	١.
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INTERNATION		1
85   80   5pc Stock '77-82	8112 [] 6.96   12.22	
CORPORATIO		
961, 891, Birmham 94cc; 79.81, 9724, 851, 85150 774cc 77-81, 1034; 951, 1044, 951, 104, 127, 127, 127, 127, 127, 127, 127, 127	93   9.95   13.13 894   12.63   12.89 984   +14   12.62   12.89 9854   +14   10.22   12.80 9354   5.60   12.73 89   +14   10.95   12.82 25.34   -17   12.67 99   -17   12.67 90   -17   12.67 657   6.36   12.62 768   7.21   11.85 657   6.36   12.62 769   13.74   12.67 95   5.56   12.67 95   -17   13.31	
COMMONWEALTH &		3
935- 937- Aust. 51-pc '77-80 8774 811- Do. 51-pc '81-82 973- 921- N. 6-pc '76-80 841- 741- Do. 71-pc 83-86 941- 841- St. Airca 9-pc 79-81 85 43 Sth. Rhot. 21-pc 65-70 121 81 Do. 6-pc '78-81	96'-std + 1-4 5.72 13.37 84'-2 + 1-4 6.63 13.02 97'-3 6.30 13.66 76'-2 + 4 9.87 12.78 39'-4 - 10.76 15.56 73' -1	1214
LOAN	IS	3
Public Board		2
65   56   Agric, lat. 5pc '59-89   92   75   Algan 101-pc '89-94   301   241   Mel Wir, 3pc '89   129   117   U.S. M.C. 9pc 1982   95   \$7   Do, without Warrants	61½	HONGE STATE OF THE
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1034 954 FFI 13pc 1981	991: 13 06   13.31 101 14 24 102 -14   13 72   13 51 321: 6.80   12.60 76 8.32   12.70	8

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4: 19	\$941 DM9	S.G.I. 6 <sup>1</sup> 20C 1 Turin 9pc 199 1 Turin 6 <sup>1</sup> 2pc 19	1   84. DI	75p 594°2 N91		612	9. 8.	53 45	466 E50 540 260	52 136 78 278 543 360 200	Schr	an Bank 620 oders £1 ombe MC £	15%		. 129	1 <u> </u>	35	]=	粼
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μ,	1720	Amer. Medic. Asarco Inc Baker Intnl. Con Barne: Grp. S Bendix Corp. S Beth. Steel S8	2,	22't	<u>-</u>  -	44c 51.0	]=	3.8	53 163 179 29	27 12 12 14 24	Moore	ate Merc. 10 Financial	12	-	1614 5.44	4 —	_	71 64 92 68	强
ì	냂	Bendix Corp Beth, Steel \$8	- C	197 <sub>24</sub>	1-3-	\$3.00 \$1,40	Ι=	4.9 2.0 4.0 1.5 7.6 4.3	29 17:,	칊	Strig.  Sturk	Crecit 10p Hides, 10p	計鏡	,	160.9	3	5.6	(UE)	然
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i,				26 3 10 273, 181	-} -}	<del>经</del> 报	=	3.8 6.5	102	1 80		l Brews Dist.Pr.10p		dl	1431.	램			饕
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ì,	15. 37.	Colgate-P. \$1.		014) <sub>4</sub> 823p 21 <sub>5</sub> d	]_17	\$1.08 \$1.08	lΞ	67	浇	1175	Borde	er Brew's	JI 1579	1	3.51 14.38	38	17.0	ån	2
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1	655p 874p	Firestone Tire		6550 8740	-33	21.18 21.18	=	86   85   86	28 93 170	150	Gours	Bros. 20p. all Whitley	J 66	ļ	147	5.0	3.2 2.6	11.8	76 26
•	瓷	Fluor Corp. 55 Ford Motor 52		241-11 221-3	-15 -15 -15	57.50 \$1.00 \$2.0	=	863 31 81 64 51 66 31 38	翌2	龗	lGreer	e King ess		+2	17.37	3.0 3.7		16.3	225 76 25 45 172 261 190 82
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į	38°	<ol> <li>E.M. Corp. \$4</li> </ol>	5[	261°74 38	1	\$3.44 \$3.16	Ξ	45	諼	89 75	Marsto Morta	n Thompson	107 100	}	11.88 11.18	42	2.5	13.4 19.8	82
φį,	642p 964p	R. U. Internation	الالا	655p 964p	- 22 - 22 - 32	95c S100	Ξ	45 61 73 52 68	79	【記	Sande	man & New 20a	.   60 697,	+2 -1,	2.54 13.46 3.38	28 31 22	6.0	5.7. 7.3	161; 144
Ę		(Mari. Han. US\$7 (Morgan (JP) US	50   25	171. 24.d	- 10	\$2.28 \$2.20	=	6.8 4.6 6.1	190 180	蹬	[Vaux		160	洼	1145.03	32	3.0 4.5 5.7	8.b	448
í	777.p 983p	Norten Simen Inc. Owens-III. \$3.1	25	777.p 9830 <sub>.</sub>	1_72-1	92± \$1.26	_	6.5 5.0	148 320 180	認	Wolv.	read 'A' Oudley Brew 'A' 50n	器	ļ	448 1656 252	63.0 3.3	32	6.2 13.4	194 .452 .448 .180 .110 .273 .303 .138
ì	<b>괊</b>	Quaker Gats US Reliance \$0.25		124 sd 21	į	27.50 27.50	=	_	100	μos	1100031	аең а эф.	1113	{	1434	1 4 1	2.1	4	靈
4	391 <sub>2</sub> 887 <sub>2</sub> 105 <sub>8</sub>	Rep. N.Y. Corp. Rexnord S5		291 <sub>2</sub> 887 <sub>2</sub> 10%	- <u>;</u> ii	\$1.00 \$1.06	=	26 54 51 52		· B	UII	DING	G IN	JDI	JSŤ	RY,	,		303 128
i. Bo	1912 4050	RichdsnMrffl.s Rockwell Int Saul (B. F.) \$1	]	191 <sub>2</sub> 405ø	-24 -28 -5	2.40	ΙΞI	52	1	7	ΓŀΜ	BER	AN	DF	ROA	DS			37 100 125 200 82 255 58 76 28
70	20°4 681p	Shell Oil \$1 Singer (\$10'		20.4 681ø	遏	\$2.0 80c	Ξ	4.9	93 142	84   112		eep Const haw Cem.	84 124	+12 -2	514 754	\$.	8.5 8.7	φ	200
ï	<b>影</b>	Sperry Rand 50. TRW Inc. \$11	50.	23	- [	51.56 51.80	Ξ	6.0 3.4 4.7	粉	39	Allied	Plant 10p. ge Shrks	.l 3i	-2 -2 -1	40.85 45.2	37	4 ni	721	255
'n	1373			175. 131	-%	52.20 10%	_	63 175	52 344	40 232	Amdi	ffe 10p nds. 50p	43	-2	1355	扫	9.5 8.5 3.9 8.7	3.8 5.7	.76
9p	l Dia	Texas Pt. USSO. 16 Texas S6.25	2 <u>3-</u> 1	2740 135	+51 -4	\$2.16	=	<b>–</b> 1	50 17	331 <sub>2</sub>	Sailey	ridge Brk Ben 10p.	43		1261	1.81	5.71	14.0 I	68 312
1	19250	Transamenica S	1.1	19½ 9 <u>25</u> 0	-6"	\$1.50 \$1.50	=	3.8 5.4	1774	97 261 <sub>2</sub>	Beech	r Liev. 10p. wood 10p	1 T03	- <u>1</u> -	237	3.3 2.70	10.7	3.0) 3.8	204
ş	1113	Utd. Tech. SUS U.S. Steel S1	I	يە194 و111	-1.	51.60 51.60	=1	7.1	36 90 30 55	135	Bento		23	-1	<del>56.5</del>	i — I	-1	- 1	58 46
2	13 32's	Woolworths \$3 Xerox Corp. \$1	2/	13% 32% 98% 98%	[ <u>-6</u> ]	\$2.40 \$2.40	=	8085581 57151 15	55 65 88	40 48	Bett 8	rd M. 10p ros. 20p	42 48		203	33	5.7	6.1 7.6	58 312 204 190 58 46 156 312
		Zapata Corp. 2  Premium 101	% (bas	ed on	USS	30c   2,4135	ber — 1		356 102	65 244 82	Blue	eys 20p Circle £1 ell Perm	72 282 96		4.26 10.43 3.22	26 33 4.4	85 53 54		134 276
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	i 10% i	UAN Bk.Montreal Si	ADI	101-	ე  - <u>'</u> ₄	S1.24 I	-1	5.0	36 275 802	58	Brown	Jksn. 20p lee	.260 58	-15	HD.9 †23	10.9 21	앩	184	201 178 2474
i,	10 965p	Bk. Mova Scot. Bell Canada S8	- g	103. 75pul	-[5]  -5]	\$1.24 \$1.52	=	51 72 03	70 <sup>-</sup> 400 186	45 215	Burne	L Hidgs It & H	63 355	+1	怒	3.1 9 2.6	겝	82	190 134
Ç	15% I	Bow Valley    Brascan		العراق	<u>  3</u>	110c ♦\$1.0	=	4.0	186 46	169	(C., Rob	oulton II y A' 10p.	185 37	-i	010 15 1.82	26 23	7.0f	8 1	07
3	15.	Can. Imp.Bk. \$2 Can. Pacific \$5.	[	11. <sub>2</sub> 14	녆	27.90 27.90	=	5.9 4.8	462:55	33 20 53	Carri.		26   58	-2	47.02 47.33	7.0	26		163 20 78 55 13
8	28	Do. 40c Deb. 5. Gulf Dil Can.ii		31 27%	- <u></u>	\$1.50 \$1.50	=	윒	1142 42	60 82 30		Roadstone n Gp. 10p	83 33	+I [	3.97 14.62 N2.4	2.4 3.1 2.0	6.81 9.31	71 I	55 13
Į	490p 17-2 11-4	Hawker Sid. Car Hollinger 55	)	5757 171 <sub>2</sub> 121 <sub>2</sub>	-10 -4	60c \$2.20 ♦51.10	=	4.4 5.3	22 <u>6</u> 172			n Group	37 154 166		u6.0	6.2	34	ᆲ	1134
ŝ	29 <sup>4</sup> 13 <sup>2</sup> <sub>8</sub>	Hudson's Bay     Hud.B.Oil G. \$2  Imperial Oil	12	3112 1612	-32 -34	\$20 \$1.00	={	53 37 27 26 16 52	83 140	45 107	Countr	y≤ide 5p. (D.) 20a	81 146	-2	1268 64.4	25 3.0	48(	923	147 <sub>2</sub> -98
2	104	Inco		1074 1074 645p	-3	40c 80c		損	88	62 74	Crouck	Group S Robt. M.	774		1298 13.46	碧	섌	94   14	142 5712
þ	580a	Massey Fergil. Place Gas \$1	i 1	550o 153o	-10 +3	ΞΙ	ΞΙ	=1	88 134 132	끊	D with Erith	g G.H. 50p	128 105		115.71 6.14	33	64	5.0	5712 1527 1527 1527
į	协:	Rio Algors Royal Bk.Can. S	<u>z.</u>	161	e	\$1.50 \$2.20	_	38 51	17 89	10 60 27	F.P.A. Fairck	Const'n ugh Cons	151 <sub>2</sub>	-1 <sub>2</sub>	3.5		7.6	46	NEW 3 15 15 15 15 15 15 15 15 15 15 15 15 15
į	95 <sub>2</sub>	Seagram Co. C. Tor. Dom. Bk. 1		5734 10	븳	驵	=	51 29 51	38 37	27 25		ití. 10p 1' 10p	34 31		d1.95	걢	82 26	6.9 63	34 15.
's SJ	990p	Trans Can. Pipe Premium 101	!	101€	[-% ]	S1.16	رة الا   –	4.9	85 74	55277 1729	Fed. La Finlan	und & Bid Llohn i 10p	63 68	-2	273	16	62	90 90	205 <sup>2</sup>
_									271 <sub>2</sub> 42	17 29	French	Pkr. 10p.	25 35	-12	1.92	3.9 3.7	7.8	47 (	90 85 ·24
A	NK		HIR	ΕĪ		RCH		- I	7912	66 16	Gibbs D	rd Br. Sp 'dy A 10p.	66 22		3.42   hlo	3.7 4.0	7.A 6.5	42 55 88	40 263 *120
27	25	ANZ SAI Alexanders D ST	il což	-6   <u>-</u>	76.0 16.0 030	3.2	4.41 9.01 7.21	6.6	39 82 93	16 31 52 55	Glosso	(M.) 10p. p.W. & J. xoper 20p.		-2	1205	1.8 0.8		8.8 3.0	*120 52
1	310	Allen Harvey £1. Allied Irish	1 2.00	-2		s¶ 44	9 51	-		25	H.A.T.	Grp. 10p Bar	281 <sub>2</sub> 25	+12		24	84		145 140
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168   Soft Grown   243   -2   643   48   37   58   230   220   M.K.     168   Soft Grown   243   -2   643   34   44   8.9   303   220   Multi-   273   Sharpe & Fisher   45   -1   11.39   34   44   8.9   303   220   Multi-   283   Sharre (1) 10p   33wi   -1   12.22   29   8.4   6.4   245   180   New     283   Sharre (1) 10p   33wi   -1   12.22   29   8.4   6.4   245   180   New     284   Sharre (1) 10p   33wi   -1   12.23   29   34   6.4   245   180   New     285   Streeters 10p   33   -1   10.95   24   2.9   3.4   7.7   6.6   6.6   6.5     387   Santhern Con. 5p   38   -1   -1   -1   -1   -1   -1     382   Santhern Con. 5p   38   -1   -1   -1   -1     383   Sharre (1) 10p   33wi   -1   10.95   24   2.9   6.7     285   Taylor Woodrow   360   -4   2.238   2.610.65   2.97     387   Philip   360   -1   3.02   2.238   2.610.65   2.97     387   Philip   360   -1   3.03   2.97   3.3   3.9   3.6   3.6     387   Philip   360   -1   3.03   3.9   3.6   4.5   3.5     388   Warrington   50   -3   3.33   1.2   9.5   1.14   3.5     389   Warrington   50   -3   3.33   1.2   9.5   1.14   3.5     380   Warrington   50   -3   3.33   1.2   9.5   1.5   1.14   3.7     380   Warrington   50   -3   3.33   1.2   9.5   1.5   1.14   3.7     380   Warrington   50   -3   3.33   1.2   9.5   1.5   1.14   3.7     380   Warrington   50   -3   3.33   1.2   9.5   1.5   1.14   3.7     380   Warrington   50   -3   3.33   1.2   9.5   1.5   1.14   3.7     380   Warrington   50   -3   3.33   1.2   9.5   1.5   1.14   3.7     380   Warrington   50   -3   3.33   1.2   9.5   1.3   3.7   1.2   1.3     380   Warrington   50   -3   3.33   1.2   9.5   1.3   3.7   1.2   1.3     380   Warrington   50   -3   3.33   1.2   9.5   1.3   3.7   1.3     380   Warrington   50   -3   3.33   1.2   9.5   1.3   3.7   1.3   1.3   1.3   1.3     380   Warrington   50   -3   3.33   1.2   9.5   1.3   1.3   1.3   1.3     380   Warrington   50   -3   3.3   3.3   3.5	1	器	ן מכ מסטרט טיייטו	45%	+3	N2.5	27	7.9	6.7	102	1 25	Laur
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28 Streeters 10p. 33 +1	5 ]	490 <sub>4</sub>	Sheffield Brick.	64	÷ī I	313	<b>≟</b> ™	77	Ξ,	799	785	Neur
28 Streeters 10p. 33 +1	<u>.</u>	38	lCm-n+ (III∩a I	3810	-1	H2.23	24	24	ζ4	245	180^	News
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1		777	Lighter Car 23	260	-4	8.49	5.4	3.4	7.7	1,554	15504	
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26   Vectic Stone   10p.   11   100.89   137   137   138   136   157   168   132   131   136   158   137   138	2	2/U i	Turnel B 505_	276	<b>∓</b> 2	132	٠,٦	29	4.0	102	1 85	l Da
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125   Wilson Connols   165   113   117   27   50   53   32   71   68   Wilson Connols   165   113   117   27   50   52   31   72   73   68   Wilson (Gee)   75   -2   226   5.9   43   40   194   132   164   16	9	7h	Vectis Stone 10p.			thu 83	371	391	11.5	136	95	Press
125   Wilson Connols   165   113   117   27   50   53   32   71   68   Wilson Connols   165   113   117   27   50   52   31   72   73   68   Wilson (Gee)   75   -2   226   5.9   43   40   194   132   164   16	! [	1 <u>7</u> 8	Vibroplant	235			20	7.2		132	.76	Pye H
125   Wilson Connols   165   113   117   27   50   53   32   71   68   Wilson Connols   165   113   117   27   50   52   31   72   73   68   Wilson (Gee)   75   -2   226   5.9   43   40   194   132   164   16	? !	≱ .	Ward Hidgs, 10p.	47		d2.95	33	9.0	3.6	495	337	Racal
125   Wilson Connols   165   113   117   27   50   53   32   71   68   Wilson Connols   165   113   117   27   50   52   31   72   73   68   Wilson (Gee)   75   -2   226   5.9   43   40   194   132   164   16	1	,42 (	Watrington	.50	-3 j	3.33	12	9.5	125	11,5	{ 87	Redif
125   Wilson Connols   165   113   117   27   50   53   32   71   68   Wilson Connols   165   113   117   27   50   52   31   72   73   68   Wilson (Gee)   75   -2   226   5.9   43   40   194   132   164   16	1	"[ ]	Marthad Bank	7,0	-1		3 61	26		40%	250	Rotal H
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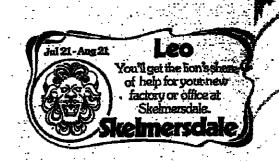
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MOST COLUMN ACCOUNTS OF THE COLUMN ACCOUNTS O 43 ancial Times Wednesday June 27 1979 **NDUSTRIALS—Continued** INSURANCE—Continued PROPERTY—Continued INVESTMENT TRUSTS-Cont. .FINANCE, LAND—Continued  Bernard Thorpe

LONDON, SW1 TEL: 01-834 6890



# A 'mountain' of undelivered post

BY JOHN LLOYD

THE POST OFFICE yesterday admitted that it had accumulated an enormous mountain of undelivered letters and parcels, particularly in London, where some 20m letters area waiting delivery, and that increasing delays in delivery could be expected.

The situation is due partly to industrial action—particu-larly a one-day stoppage by management staff on June 14 —and partly to growing shortages of postmen in London and elsewhere. Delays are worst in London. the Home Counties, the Midlands, and the North East. In addition to the 20m letters waiting to he delivered in London, there are 25,000 for addresses in Birmingham and 17,000 parcels. Delays of one or two days are now common on first class mail, and of up

mail.

The growing crisis must be added to a continuing shortage

to a week on second class

of cash in the telecommunica-tions business through the blacking of computerised bills, a shortage of telecommunication stores in the regions and even problems in processing

weekly payrolls.

The shortage of postmen—
most acute in London, the
South East and Eastern regions-has been growing for some mouths.

The corporation says it needs 2,000 postmen and 1,500 postmen (higher grade) nationally simply to return to an adequate service, while it would need up to 4,000 more to reduce the very high levels of overtime now being

Recruitment of postmen (higher grade) from the ranks of postmen is a further problem, since the differential is small and the work of the higher grades—in sorting offices—is less popular than that of delivery.

# Engineers plan overtime ban and one-day strikes on pay

BY NICK GARNETT, LABOUR STAFF

a programme of one-day strikes support of the engineering industry pay claim were agreed federation's general secretary, vesterday at the Confederation said that action by the 2m of Shipbuilding and Engineer- engineering workers would have of Shipbuilding and Engineering Unions annual conference. Instructions on industrial action will be sent to affiliated unions in the next few weeks unless, against expectations. a Engineering Workers, said indi-

final meeting with the Engineering Employers Federation leads to an agreement.

full settlement of a claim for new national minimum rates, a one-hour reduction in the work-

A NATIONAL overtime ban and extra holiday and a common reduced hours. April settlement date.
Mr. Alex Ferry, the Cona very considerable effect on the

vidual companies would be given dispensation from the dispute only if they agreed to unions are demanding meet the full claim, including the reduction in the working week to 39 hours. Managements are expected to

country's three largest, agreed in Llandudno to back a motion from the Amalgamated Union

The Electrical and Plumbing Trades Union, which attempted to have the issue put to a ballot, abstained from yesterday's vote. An attempt, also by the EPTU, to seek negotiations on " compromise ing week this year, two days' do their utmost not to concede proposals was defeated more

The conference of the confederation, which has 18

affiliated unions including the

than 8.1 by a block vote.

Mr. Duffy said the claim was valid. The unions were not "hell bent" on collision but if the employers refused to con-

very grave situation." of Engineering Workers
gineering section for industrial a week national minimum rate
action if the claim is not met in
for skilled workers with proportional increases for other

The employers' last offer is an £8 increase on minimum craft rates from the present £60 and a £4 rise on the un-skilled rate to £49.

# probe win by Leftist

By Christian Tyler, Labour Editor

AN INQUIRY into the election of a Left-winger to the executive council of the Electrical decline on Monday and trading and Plumbing Trades Union conditions in the foreign was ordered by the executive exchange markets remained

yesterday.

Mr. Frank Chapple, the general secretary, will look into what a union official said were

measuring the value of the dollar against a basket of other dol objections from two of the candidates into pre-election canto establish whether there had been political interference, he

The executive has put off by a month its endorsement of the result for the South Wales seat. in which Mr. Wyn Bevan, works convener at British Steel's Port Talbot works, emerged top of

Mr. Bevan, a Labour councillor and opponent of the Right-wing leadership of the union, achieved national prominence when he led a 10-week electricians' strike at Port Talbot two years ago.

Yesterday's decision of the executive will not come as a complete surprise to some of Mr. Bevan's supporters.

Support

There were reports that the Right might object on the grounds that the far-Left candidate, Mr. Billy Williams, of Cardiff, declared support for Mr. Bevan if he himself was eliminated under the single transferable vote system.

Mr. Bevan said after the elec-

tion, in which he claimed victory by 700 votes in the postal ballot, that the election had been fairly fought.

The executive may order a re-run of the election if it interference decided Was

This is the second time in recent months that an EPTU executive election has been challenged. The last time the defeated Left-wing councillor for Yorkshire, Mr. Harold Best, appealed unsuccessfully on the grounds of irregularity in the conduct of the ballot itself.

There were six candidates in the South Wales contest, including Mr. Don Jones. a full-time official from Swansea, who was seen as the favoured moderate o succeed Mr. Bernard Clarke,

# Union to | Dollar rallies slightly but markets nervous

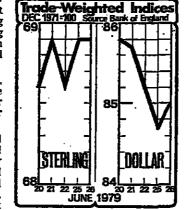
BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE DOLLAR rallied yesterday it recouped only some of the big

currencies, rose 0.3 to \$5.0 after a 0.5 drop on Monday.

Dealers said the rally followed the statement by Mr. Michael Blumenthal, the U.S. Treasury Secretary, that the U.S. would achieve a large cut in its oil imports by the end of the year. There was also speculation about the appearance of further signs approaching U.S.

The dollar rose to DM 1.8500 from DM 1.8395, though this is still lower than the level before the weekend. There was a



franc with a rise from SwFr 1.6435 to SwFr 1.6635. from A technical influence supporting the dollar may have been desire of banks to close higger rally against the Swiss speculative positions in time for

the end of the accounting halfyear this weekend. The dollar was the main in-

fluence on sterling which fluctuated in the unusually wide range of \$2.1355 to \$2.1670. But there was relatively little business for most of the day and any intervention by the Bank of England was probably on a small scale.

The pound finished 70 points dollar and unchanged or slightly higher against most other leading currencies.

The trade-weighted index closed unchanged at 68.9 after moving between 69.1, its highest level since March 1976, and

At this level, the tradeweighted index has risen by 2} per cent since the Budget a fortnight ago and by 7.8 per cent since the end of December. Money markets, Page 36;

Editorial Comment, Page 24

Continued from Page 1 | Continued from Page 1

with a floor of \$18 and a ceiling of \$20 would be a possible alternative, he said.

By September, when run-down stocks have been built up, there should be a clearer idea of the state of the market and the price that it should bear, it is argued by some delegates. There seems to be general recognition of the need for another conference in three months to review

By the autumn the escalation of prices, which have risen by 35 to 40 per cent on average since last year, should have dampened down the general level of demand regardle of what may be decided by this week's Western economic summit in Tokyo on curbing oil

A Saudi decision to allow output from its main fields to rise by 500,000 or as much as 1m barrels a day would be of significant, though not necessarily critical, importance, It has apparently been given the option of increasing the flow in the negotiations here as

a means of inducing some kind

of moderation.

# Chrysler strike vote

make it practically impossible for us to

Chrysler UK was taken over

most seriously prejudice our aspects of its business in order future. It will destroy the control generate the confidence of Chrysler's flexibility to make an improved offer and avert the Employees have been told to stay at work and keep pro-

" Please recognise that against the background of past losses which have given us the at the beginning of this year by the background of past losses PSA Peugeot-Citroen. The investment at risk is the finance crippling burden of enormous of the successful Chrysler made is the very maximum we Alpine at Ryton from next year. can afford, at current levels of productivity," says the management

Chrysler's workers have been in the forefront of pay claims over the past three years, but have usually backed down. Much of the Stoke workforce

future. It will destroy the con-fidence of our new owners and PSA management, he says. win the future investments which we so desperately threatened strike is limited, need to modernise our factories Employees have been told to and introduce new models," the ducing and keep earning. letter said.

to assemble a four-door version model, a night shift would be introduced at Ryton. This would create up to 2,000 new jobs and double output from the present

1.000 vehicles a week. Mr. George Turnbull, the former managing director of British Leyland who took over as Chrysler chief executive in April, has already told the workforce that there can be "no more second chances." Chrysler more second chances." Chrysler which has been at a standstill UK will have to stand on its since the beginning of the year, own feet and must demonstrate is scheduled to resume next a continuous improvement in all month.

is on short time because of disruption to the Chrysler contract to supply more than £100m worth of components for assembly in Iran. Production,

# Ghana shootings bring oil cut threat

BY MARK WEBSTER

NIGERIA is expected to impose oil sanctions on Ghana following yesterday's execution of six of the most prominent figures in former

military regimes. Nigeria, which supplies 90 per cent of Gbana's crude oil, threatened to take action after the present military government ordered the execution of General Ignatius Acheampong. the former Head of State just over a week ago.

The six people who faced the firing squad had all held important posts under

General Acheampong and included General Fred Akuffo, the man who replaced him in a coup last July.

The Nigerians are believed to have warned especially against executing General Akuffo because he had friendly talks with General Olusegun Obasanjo, the Nigerian Head of State, only a week before the coup which

ousted him. Ghana, with serious economic problems aiready, would probably grind to a halt if Nigeria cut off all its oil. Although Ghana has small

supplies of its own, the maximum output of its wells would be 5,000 harrels a day-about 18 per cent of total domestic consumption. At present it is producing only 3,000 bar-

Also executed yesterday were General Robert Kotie, former army commander under General Acheampong. Colonel Joe Felli, former commissioner for foreign General under Acheampong, Air Vice Mar-shall G. Y. Boakye former commander of the air force Rear Admiral Joy

Amedume, former head of the

Nigeria has protested along with a number of other African countries at what it sees as growing lawlessness within the armed forces. The British Government

yesterday issued a statement "strongly deploring" the executions. It said it had made clear to Ghana that trials and executions should be seen to be carried out in accordance with internationally accepted principles of justice and human rights.

# German to head Vauxhall By Kenneth Gooding, Motor Industry Correspondent

West

A WEST GERMAN is to take over as president and managing director of Vauxhall Motors, the UK subsidiary of General

He is Mr. Ferdinand Beickler, 56, who joined Opel. GM's German offshoot in 1937 as an apprentice toolmaker. More recently he has been GM's director of European Automatics. motive Manufacturing.

He takes over on August 1 from Mr. Bob Price who since 1974 has supervised the revival of Vauxhall which faced serious problems in the early 1970s. In 1974 Vauxhall suffered an £18m loss. Last year the company was in the black for the first time since 1971 with a net profit of

During this period GM has re-organised its European operations so that Opel is now responsible for developing passenger cars while Vauxhall, through its Redford subsidiary, is responsible for commercial vehicles. The policy has enabled the whole of the Vauxhall range to be revamped since 1975.

But Vauxhall has not been able to produce cars in the quantity demanded—its market share has now slipped to about 6.5 per cent-and the appointment of a manufacturingoriented managing director makes some sense at this time.

Mr. Price, 53, is leaving the UK to become GM's first director of international social action, and he described this as "the fulfilment of a deeply felt personal wish."

#### Planning

He will work with the man agement of GM's international operations with responbility for planning, development and implementation of social programmes.

Mr. Price said: "I am convinced that truly meaningful results can be realised by the strong involvement of industry in general and individual companies focusing on high-priority programmes in such areas as so on."

The changes at Vauxhali will bring additional responsibility for Mr. Geoffrey Moore, director responsible for public, government and industry relations and passenger car sales. In August he also becomes chairman of Vauxhall, reporting to Mr. Beickler.

#### Veather 🐣

UK TODAY MAINLY DRY with some sun-

London, E. and Cent. N. England, Midlands, Borders, Edinburgh and Dundee areas Mainly dry, sunny periods. Max. 20C (68F).

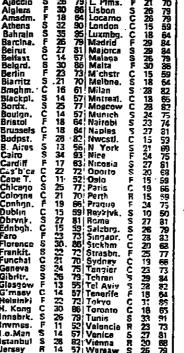
S.E. and Ceut. S. England Mainly dry, sunny periods inland. Patchy coastal fog. Max. 20C (68F).

Channel Is., S.W. England, S. Wales Cloudy, some drizzle and fog near coasts. Max. 17C (63F). N.E. and N.W. Scotland

Sunny intervals, some showers, Max. 14C (57F). N. Wales, N.W. England, Isle of Man, N. Ireland, Rest of

Scotland Mainly dry, sunny intervals. Max. 17C (63F). Outlook: Dry with bright intervals in S., changeable in N.

WORLDWIDE



THE LEX COLUMN

# Uphill currency fight for BAT

movements, BAT Industries expects its net attributable profits to show a sustained increase in the 12 months to next September-and there should be some kind of progress even with

sterling at its present levels. Attributable profits after six months are 8 per cent higher at £114m, and the adverse impact of exchange rates on currency conversion is put at £9m.

Most of the increase to date has come from the paper side,

where operating profits have bounced from £26m to £56m, nearly a fifth of the group total. The U.S. acquisition, Appleton, is running ahead of target and accounts for nearly three-fifths of the improvement, and the original business is also doing well, apart from the pulp mill at Fort William.

Retailing is doing a bit better than it looks—profits only marginally higher at £22m on sales of £787m. Saks and Gimbels have posted an 11 per cent increase in dollar terms, and although International Stores is losing money in the UK, BAT says that the downward trend has at last been

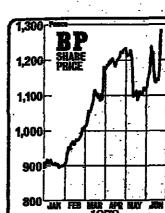
That does not add up to a growth story, for tobacco still accounts for three-fifths of profits and is heading for its third year of very modest growth. BAT is still losing market share in the U.S., where it has failed to make much of an impact in the low tar sector, and its attack on the UK market has left it with under 3 per cent of the market.

However BAT is still improving its share of the less mature markets, and its total volume is rising at 4 or 5 per ceut a year. It has enormous muscle in its balance sheet, and formidable dividend paying potential. The net payment this year is forecast to rise by at least 161 per cent and that is likely to be covered nearly four times. Of course the shares have been noticably weak for months

now, partly because of the over-hang created by Imperial Group's £153m placing of the currency shares which took place in March at 310p a share. But the currency impact is much less damaging than is the case for many manufacturers based wholly in the UK. And the yield is a minimum of 82 per cent at 275p.

Investors shopping to beat the OPEC price rises have been piling into BP shares—the next best thing to crude oil—over the last few days, and yesterday impact of higher taxation on harder to sustain.

Index rose 1.8 to 475.2



the price reached £13. This is a mouth-watering level for the biggest potential seller of the stock, the British Government. There looks to be every reason for the authorities to go ahead with selling off a slice of BP as soon as possible. The tight monetary targets, if they are to be credible, create an urgent need to fund, and by reducing its BP stake to, say, 33 per cent from the present 51 per cent, the Government could raise something of the order of £3bn. It must also make sense to offer the shares while there is still a good deal of excitement surrounding the crude oil price.

Assuming that active work is already being done on the issue, it should be possible to launch it in early September. The documentation will have to be compendious, particularly if, as in 1977, there is a parallel launch in the U.S. market, but the prospectuses drawn up only two years ago are there to be built upon.

On recent form it should be easy to place some stock on Wall Street. Interest in BP has been reviving there recently after a with the dull performance of the shares in the month after the last offer for sale. The cypical might argue that the appearance of buying interest at £12 a share by U.S. investors who were not prepared to touch the stock at £10 in February is least this is down from £38m an indication of how speculative the beginning of the ye the market in BP shares has become

news at the moment—the outlook for high interest raimminent sale of the Govern- and the dwindling quality ment holding appears to have the property portfolio makes t been discounted, along with the pace of improvement ev

The market does r seem to be even considering to possibility that the oil supposition might be easier, a the oil companies proi

thinner, in a few months tin The authorities have to deci how best to execute the sa In retrospect, and compar with some subsequent issues gilt-edged stock, the 1977 l offer passes for a succe although at the time t authorities were criticised i giving the stags a bonanza, tap issue should allow the sto to be dribbled out without t need for a substantial discouto the market price, but would be uncharacteristic

the Government to resort to t untried expedient of an equ tap in such an important cas-But the Bank of Engla might be able to put its new acquired expertise in issui acquired experise in issu-stock by partitional tender good use. In September, aft all, BP should be announce handsome second quarter figur with a good dividend boo. Perhaps another OPEC meeti could be arranged to he things go with a bang.

#### FNFC

Because high interest rat have increased the interest co: associated with its "lifeboa debt, First National Finar Corporation has not been al to maintain the momentum the improvement of its affa. which it built up in the year October 31, 1978. Neverthele with the help of its consun finance division which cont buted pre-tax profits of £4. in the first half, and a c tinuing string of property sal which yielded an excess or book value of about £2.5m, has still been able to rep first-half pre-tax profits of £3.7

This has taken the compa a little further back along t road to positive net wor. FNFC has reduced its borro ings from the support group £12m but still has £238m to Under the terms of the 19 reconstruction it must red; its liabilities by a further £3-before the holders of s ordinated loan stocks can exp any interest payments: but stood at minus £54m at the ha Certainly the buyers are way mark compared with mir prepared to overlook the bad £72m in October 1976, but t

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